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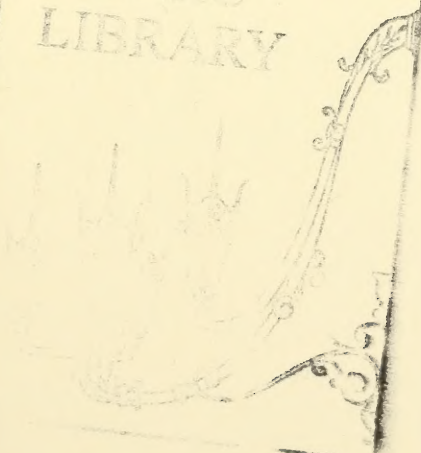
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Senate Report

No. 216



IRAN-CONTRA INVESTIGATION

APPENDIX A, VOLUME 1

SOURCE DOCUMENTS

United States Congressional Serial Set

Serial Number 13740

Report of the Congressional Committees Investigating the

Iran-Contra Affair

Appendix A: Volume 1 Source Documents

Daniel K. Inouye, *Chairman,*
Senate Select Committee
Lee H. Hamilton, *Chairman,*
House Select Committee

U.S. Senate Select Committee
On Secret Military Assistance to Iran
And the Nicaraguan Opposition

U.S. House of Representatives
Select Committee to Investigate
Covert Arms Transactions with Iran

November 13, 1987.—Committed to the Committee of the Whole House
on the State of the Union and ordered to be printed.

November 17, 1987.—Ordered to be printed.

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United States Senate

SELECT COMMITTEE ON SECRET MILITARY
 ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION
 WASHINGTON, DC 20510-6480

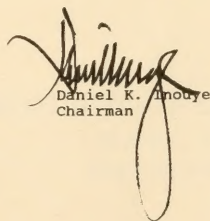
March 1, 1988

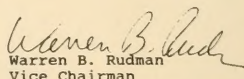
Honorable John C. Stennis
 President pro tempore
 United States Senate
 Washington, D.C.

Dear Mr. President:

We have the pleasure to transmit herewith, pursuant to Senate Resolution 23, Appendix A to the final Report of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition. We will submit such other volumes of Appendices to the Report as are authorized and as they become available.

Sincerely,


 Daniel K. Inoué
 Chairman


 Warren B. Rudman
 Vice Chairman

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U.S. HOUSE OF REPRESENTATIVES

SELECT COMMITTEE TO INVESTIGATE

COVERT ARMS TRANSACTIONS WITH IRAN

UNITED STATES CAPITOL

WASHINGTON, DC 20515

(202) 225-7902

March 1, 1988

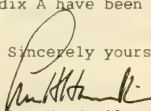
The Honorable Jim Wright
Speaker of the House
U. S. Capitol
Washington, D. C. 20515

Dear Mr. Speaker:

Pursuant to the provisions of House Resolutions 12 and 330 and House Concurrent Resolution 195, 100th Congress, 1st Session, I transmit herewith Appendix A to the Report of the Congressional Committees Investigating the Iran-Contra Affair, House Report No. 100-433, 100th Congress, 1st Session.

Appendix A consists of the Source Documents cited or referred to in the footnotes and other references of the Report. All contents of Appendix A have been declassified for release to the public.

Sincerely yours,



Lee H. Hamilton
Chairman

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To Iran and the Nicaraguan Opposition

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*The staff member was not with the Select Committee when the Report was filed but had, during the life of the Committee, provided services.

United States House of Representatives

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Contents

Note to Reader:

This volume contains certain source documents cited in the footnotes to the Report. These documents are grouped by chapter and labeled according to their chapter and footnote numbers.

Source documents that are available in the *Hearings* and *Deposition* volumes, from public sources, still classified, or otherwise unavailable are not included.

The Preface explaining the various types of documents in this volume begins on p. xiii.

ROYAL SOCIETY OF MEDICINE

Vol. 100, Pt. 1, 1907

1907

THE JOURNAL OF THE ROYAL SOCIETY OF MEDICINE, VOL. 100, PART 1, 1907. PUBLISHED BY THE SOCIETY, 11, BEDFORD SQUARE, LONDON, W.C.1.

THE JOURNAL OF THE ROYAL SOCIETY OF MEDICINE, VOL. 100, PART 1, 1907. PUBLISHED BY THE SOCIETY, 11, BEDFORD SQUARE, LONDON, W.C.1.

THE JOURNAL OF THE ROYAL SOCIETY OF MEDICINE, VOL. 100, PART 1, 1907. PUBLISHED BY THE SOCIETY, 11, BEDFORD SQUARE, LONDON, W.C.1.

Preface

This volume contains much of the documentary evidence—letters, memorandums, transcripts of telephone calls, and other materials—that underlies many of the factual statements made in the *Report of the Congressional Committees Investigating the Iran-Contra Affair*. The *Report* is a joint publication of the House Select Committee to Investigate Covert Arms Transactions with Iran and the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition. The complete database for all factual statements made in the *Report* and referenced in its footnotes consists of the following:

- Source documents, contained in this volume.
- Published sources, referenced in the footnotes of the *Report* but not reprinted by the two Select Committees.
- Hearings before the two Select Committees, which are published separately in 11 volumes as the *Iran-Contra Investigation: Joint Hearings of the House Select Committee to Investigate Covert Arms Transactions with Iran and the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition*, 100th Cong. 1st Sess. (1987).
- Depositions taken by the two Select Committees, which are published as *Report of the Congressional Committees Investigating the Iran-Contra Affair, Appendix B: Depositions*, H. Rept. No. 100-433, S. Rept. No. 100-216, 100th Cong., 1st Sess. (1987).
- Exhibits prepared by the Select Committees or by witnesses or other persons and submitted for the record. All exhibits mentioned in the *Hearings* and most of those referenced in the *Depositions* are contained in those respective volumes.

Explanations follow of: source materials found in this volume; testimony; depositions; exhibits; interviews; published sources; and abbreviations, acronyms, and initials

Major Source Materials

The Select Committees relied heavily on sworn testimony and documentary evidence in compiling their final *Report*. Brief descriptions of the major sources appear here, and more detailed descriptions of some of the sources follow later in this Preface.

Testimony: Sworn testimony (testimony taken under oath) consisted of two kinds. Testimony taken in the joint hearings is referred to as “Test.” in the footnotes, and testimony taken as depositions is referred to as “Dep.” in the footnotes. Fuller explanations of these kinds of testimony appear below.

Documents: In most cases, miscellaneous documents referred to in the footnotes are published in this volume. Usually a Bates identification number appears in the footnote, e.g., N 2816. The identification number will assist researchers

who wish to find the complete original document in the Select Committees papers stored with the National Archives and Records Administration. Access to Select Committees papers is subject to the respective rules of the House and Senate.

Interviews: Select Committees' staff interviewed a number of people on an unsworn basis. Most interviews were summarized in memorandums. The memorandums of the interviews referred to in the footnotes of the *Report* are stored with the National Archives.

PROF Note: These Notes were computerized interoffice messages carried over the White House's Professional Office Services system. National Security Council staff were provided with equipment to send and receive PROF Notes in their offices and in some cases in their homes. In many instances, messages sent over the PROF system were archived in White House computers and were retrieved by White House personnel and provided to the Select Committees. Footnote references to PROF Notes include the date and time (in military time) and the Bates document identification number. Most PROF Notes referred to in the footnotes are published in this volume.

KL-43 Messages: These messages were sent over telephone lines through use of a computerized instrument that encrypted the message at the sender's end and decoded it at the receiver's end. The system was portable and could be carried to remote locations. Most KL-43 messages referenced in the footnotes are published in this volume.

Israeli Historical Chronology: The Iranian Transactions—A Historical Chronology. The Committees entered into an agreement with the State of Israel whereby Israel agreed to prepare and provide a historical chronology detailing the role of Israel and individual Israelis in the Iran initiative from 1985 through 1986. Israel was unwilling to waive its privileges of State secrecy and sovereign immunity and permit its officials and citizens to be questioned by the Committees. In lieu of interviews or testimony, and without waiver, Israel agreed to conduct interviews of Israeli nationals and reviewed certain documents. With the specific agreement of the Government of Israel, information from the Israeli chronologies is used in this Report. By agreement between the Committees and the Government of Israel, the chronology remains classified.

Part I covers Israeli shipments of arms to Iran from August 1985 through November 1985. Part II covers U.S. arms shipments and Israeli participation in the arms transaction from December 1985 to the time of disclosure in November 1986. The Select Committees received Part II in July 1987, after public hearings were under way.

Israeli Financial Chronology: A Financial Chronology of the Iranian Transactions (April 26, 1987). At the request of the Select Committees, the Israeli Government also agreed to prepare from unsworn interviews of Israeli citizens a financial chronology. The document covers the money trail leading from the initial Israeli arms shipment to Iran in August 1985. By agreement, the document remains classified.

Other Source Documents

Tower Report: On December 1, 1986, President Reagan established the President's Special Review Board to examine the role of the National Security Coun-

cil staff in national security operations, including arms transfers to Iran. The Board consisted of John Tower, Chairman, Edmund Muskie, and Brent Scowcroft. The Board and staff interviewed numerous individuals in and out of the Federal Government, but did not have authority to issue subpoenas or compel testimony. The Board issued its report—an examination of NSC operations, a narrative of the Iran-Contra Affair, and recommendations—3 months later. The full title is *Report of the President's Special Review Board*, John Tower, Chairman (Washington: Government Printing Office, February 26, 1987).

Tower Interviews (sometimes referred to as Tower Testimony): The Tower Board conducted unsworn interviews with 53 individuals. These people included former Assistants to the President for National Security, National Security Council Members, former Presidents, and Central Intelligence Agency employees. Interviews cited in the Report but not appearing in the *Source Documents* volume are filed with the Committees' papers at the National Archives.

Hearings

The Select Committees held 44 days of joint hearings and questioned 28 witnesses publicly. Public hearings began May 5, 1987, and ended August 3, 1987. Four witnesses—Central Intelligence Agency employees—testified in executive session. House Reporters transcribed all proceedings and the Senate Recording Studio videotaped them. Two television networks, Cable News Network and C-SPAN, televised all the public hearings. Individual public television stations, ABC, CBS, and NBC broadcast portions of the hearings.

Every witness testified under oath either in response to a subpoena or an invitation or voluntarily. Legal counsel accompanied most witnesses. The enabling legislation empowered the Select Committees to compel testimony over fifth amendment objections by granting use immunity. Once the Select Committees obtained a court order, they could immunize witnesses against the use of their testimony in criminal prosecutions. Thus, any statements or admissions made by witnesses granted use immunity could not be used in a subsequent criminal proceeding, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the court order. The Select Committees granted use immunity to about 20 witnesses.

Committees Members, in consultation with Chief Counsels and staff, identified and selected witnesses and then developed specific lines of inquiry. At the hearings, questioning was led by attorneys from either the House Select Committee or the Senate Select Committee, depending on a prearranged division of witnesses. Both House and Senate Members pursued followup questions.

Original, hand-corrected transcripts, from which the published *Hearings* volumes were produced, have been filed by the Committees in the National Archives.

Depositions

The Select Committees, under authority contained in the resolutions establishing them (H. Res. 12 and S. Res. 23, respectively), deposed approximately 290 individuals over the course of their 10-month joint investigation.

The use of depositions enabled the Select Committees to take sworn responses to specific interrogatories, and thereby to obtain information under oath for the written record and develop lines of inquiry for the public hearings.

Select Committees Members and staff counsel, including House minority counsel, determined who would be deposed, then sought subpoenas from the Chairmen of the Select Committees, when appropriate, to compel the individuals to appear in nonpublic sessions for questioning under oath. Many deponents also received separate subpoenas ordering them to produce certain written documents.

Members and staff traveled throughout the United States and abroad to meet with deponents. All depositions were stenographically reported or tape recorded and later transcribed and authenticated. Deponents had the right to review their statements after transcription and to suggest factual and technical corrections to the Select Committees.

At the depositions, deponents could assert their fifth amendment privilege to avoid self-incrimination by refusing to answer specific questions. They were also entitled to legal representation. Most Federal Government deponents were represented by lawyers from their agency; the majority of private individuals retained their own counsel.

The Select Committees, after obtaining the requisite court orders, granted limited or "use" immunity to about 20 deponents. Such immunity means that, while a deposed individual could no longer invoke the fifth amendment to avoid answering a question, his or her compelled responses—or leads or collateral evidence based on those responses—could not be used in any subsequent criminal prosecution of that individual, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the court order.

An executive branch Declassification Committee, located in the White House, assisted the Committee by reviewing each page of deposition transcript and some exhibits and identifying classified matter relating to national security. Some depositions were not reviewed or could not be declassified for security reasons.

In addition, members of the House Select Committee staff corrected obvious typographical errors by hand and deleted personal and proprietary information not considered germane to the investigation.

In the *Depositions* volumes, some of the deposition transcripts are followed by exhibits. The exhibits—documentary evidence—were developed by Select Committees staff in the course of the Select Committees' investigation or were provided by the deponent in response to a subpoena. In some cases, where the number of exhibits was very large, the House Select Committee staff chose for inclusion in the *Depositions* volumes selected documents. All of the original exhibits are stored with the rest of the Select Committees' documents at the National Archives, and are available for public inspection subject to the respective rules of the House and Senate.

The 27 volumes of the *Depositions*, totalling more than 30,000 pages, consist of photocopies of declassified, hand-corrected typewritten transcripts and declassified exhibits. Deponents appear in alphabetical order.

Exhibits

Exhibits—personal papers, office memorandums, correspondence, corporate records, and miscellaneous documents—were an important source of information for the Select Committees. The Select Committees obtained some exhibits voluntarily, others through Committee-issued subpoenas. Primary sources for these exhibits were the White House, Department of State, Department of Defense, Central Intelligence Agency, Department of Justice, other Federal Government offices, and private parties.

During hearings, 1,092 exhibits were introduced, most often by the Select Committees. Occasionally, witnesses or deponents produced exhibits.

Exhibits presented during hearings are reproduced at the back of the *Hearings* volumes. Selected exhibits appear in the *Depositions* volumes at the conclusion of the relevant witness' statement. Some exhibits—extensive corporate records, for example—are not published in their entirety, but are stored in the Select Committees' records in the National Archives.

Like the testimony and depositions they accompanied, exhibits had to be reviewed by the White House Declassification Committee. Some exhibits remain classified and will not be published.

Interviews

Interviews were used to gather information, identify potential deponents and hearings witnesses, and explore new areas of investigation. Committee investigators, working individually or in teams, conducted most of the interviews. Interviewees were not subpoenaed and many volunteered information. Investigators interviewed, rather than deposed, individuals who had limited information or who were living in remote parts of the world. For instance, investigators conducted numerous telephone interviews with persons in Central America. In most cases, interviewees were not accompanied by counsel.

Investigators took notes of or recorded interviews and later summarized them into report memorandums. Report memorandums are not published in this volume; they have been deposited in the National Archives.

Published Sources

The Select Committees drew on both unpublished and published sources in preparing their final *Report*. Published sources (magazines, newspapers, books, Federal Government publications, and law journals) are not included in the *Source Documents* volume because they are available at libraries. They are listed here to indicate to readers and researchers the scope of the Select Committees' source materials. These sources are cited in the *Report* footnotes according to *A Uniform System of Citation* (Harvard Law Review Association, 14th Edition).

Magazines

Congressional Quarterly Almanac 1984
Journal of Intelligence and Counterintelligence
Newsweek
The New Republic
The Public Interest
The Washingtonian
U.S. News and World Report

Newspapers

Associated Press
Baltimore Sun
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The Washington Post
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Leary, W.M., ed., *The Central Intelligence Agency: History and Documents 131-33* (1984)
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Moses, H., *The Clandestine Service of the Central Intelligence Agency 3-4* (1983)
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Powers, T., *The Man Who Kept the Secrets: Richard Helms and the CIA* (1979)

Ranelagh, J., *The Agency: The Rise and Decline of the CIA* (1986)
Sick, G., *All Fall Down: America's Tragic Encounter with Iran* (1986)
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Thach, Jr., C.C., *The Creation of the Presidency* (1923)
Treverton, C. F., *Covert Action: The Limits of Intervention in the Post-War World* (1987)
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Wise, D., *The American Police State* (1976)
Woodward, B., *Veil: The Secret Wars of the CIA: 1981-1987* (1987)
Wright, Q., *The Control of American Foreign Relations* (1922)

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Audit Report, Office of Inspector General, Department of State
Congressional Record
Congressional Research Service Report
Constitution of the United States
Hearings Before the Subcommittee on Europe and the Middle East, House Committee on Foreign Affairs
Hearings of the House Permanent Select Committee on Intelligence
Hearings of the Senate Select Committee on Intelligence
House Permanent Select Committee on Intelligence, Subcommittee on Legislation
House Report 122, 98th Congress, 1st Session
Intelligence Authorization Act, Fiscal Year 1984
Public Law 97-377, Defense Appropriations Act for Fiscal Year 1983
Public Papers of the President of the United States, Jimmy Carter
Public Papers of the President of the United States, Ronald Reagan
Report of the National Bipartisan Commission on Central America, Henry Kissinger, Chairman
Select Committee on Intelligence, Senate Report No. 665, 98th Congress, 2nd Session
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U.S. Departments of State and Defense, *The Challenge To Democracy in Central America*
U.S. Government Accounting Office, Report of the Chairmen, Senate and House Select Committees Investigating Iran Arms Sales, "Iran Arms Sales: Department of Defense Transfer of Arms to the CIA"
Weekly Presidential Documents

Law Journals

American Journal of Jurisprudence
Publius
Texas Law Review
Vanderbilt Journal of International Law
West Virginia Law Review

Abbreviations, Acronyms, and Initials

Sources and footnotes in the *Report of the Congressional Committees Investigating the Iran-Contra Affair* often appear with the initials of individuals and acronyms and abbreviations of agencies, organizations, and other groups. The following list provides the full names for these shortened forms.

AECA:	Arms Export Control Act
AET:	A.M., Eastern Time
AH:	Albert Hakim
BG:	Code name for Oliver North
BGS:	Bretton G. Sciaroni
B. Sun:	Baltimore Sun
C/CATF:	Chief, Central American Task Force, Central Intelligence Agency
C.F.R.:	Code of Federal Regulations
CG:	Clair George
CIA:	Central Intelligence Agency
CINN:	CIA Document Control System
CJC:	Charles J. Cooper
C/NE:	Chief, Near East Division, Central Intelligence Agency
Comp. Gen.:	Comptroller General of the United States
Cong. Rec.:	Congressional Record
CSF:	Compagnie de Services Fiduciaries
CWW:	Caspar W. Weinberger
DCI:	Director of Central Intelligence
DCM:	Deputy Chief of Mission, U.S. Embassy
DC/NE:	Deputy Chief, Near East Division, Central Intelligence Agency
DDCI:	Deputy Director of Central Intelligence, Central Intelligence Agency
DDO:	Deputy Director of Operations, Central Intelligence Agency
DEA:	Drug Enforcement Administration
Dep.:	Deposition taken by the Select Committees
DIA:	Defense Intelligence Agency
DOA:	Department of the Army
DOD:	Department of Defense
DRC:	Duane (Dewey) R. Clarridge
DTR:	Donald T. Regan
EA:	Elliott Abrams
EATSCO:	Egyptian American Transport Company
EM:	Edwin Meese, III
Fed. Reg.:	Federal Register
FH:	Fawn Hall
FIR:	Felix I. Rodriguez

FY:	Fiscal Year
GPO:	Government Printing Office
GPS:	George P. Shultz
HPSCI:	House Permanent Select Committee on Intelligence
H. Rep.:	House of Representatives Report
H. Res.:	House Resolution
Int.:	Interview
JCS:	Joint Chiefs of Staff
JKS:	John K. Singlaub
JMP:	John M. Poindexter
KL-43	A device for sending secure telephone messages
LAT:	Lewis A. Tambs
NHAO:	Nicaraguan Humanitarian Assistance Office
NSC:	National Security Council
NSDD:	National Security Decision Directive
NSPG:	National Security Planning Group
OEOB:	Old Executive Office Building (also called EOB)
OLN:	Oliver L. North
OSG:	Operations Sub Group
PROF:	Professional Office Services. An interoffice computer message
Pub. L.:	Public Law
RCD:	Robert C. Dutton
RCM:	Robert C. McFarlane
RIG:	Restricted Inter-agency Group
RVS:	Richard V. Secord
RWO:	Robert W. Owen
SAT:	Southern Air Transport Company
SIG:	Special Interagency Working Group
S/LPD:	Office for Public Diplomacy for Latin America and the Caribbean
SNIE:	Special National Intelligence Estimate
S. Rep.:	Senate Report
S. Res.:	Senate Resolution
SS:	Stanley Sporkin
SSCI:	Senate Select Committee on Intelligence
STTGI:	Stanford Technology Trading Group International
TC:	Tomas Castillo
TCS:	Thomas C. Sinclair
Test.:	Sworn testimony taken before the Select Committees in their joint hearings
TIWG:	Terrorist Incident Working Group
U.S.C.:	United States Code

Publications of the Senate and House Select Committees

Report of the Congressional Committees Investigating the Iran-Contra Affair,
1 volume, 1987.

Appendix A: *Source Documents*, 2 volumes, 1988.

Appendix B: *Depositions*, 27 volumes, 1988.

Appendix C: *Chronology of Events*, 1 volume, 1988.

All publications of the Select Committees are available from the U.S.
Government Printing Office.

CHAPTER 1. INTRODUCTION:
BACKGROUND ON U.S.-NICARAGUA RELATIONS
THIS CHAPTER DOES NOT CONTAIN FOOTNOTES.

CHAPTER 2. THE NSC STAFF TAKES CONTRA POLICY UNDERGROUND

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THE COUNSELOR
DEPARTMENT OF STATE
WASHINGTON

33323

February 27, 1981

2-1

SECRET - SENSITIVE

MEMORANDUM FOR THE SECRETARY

FROM: R. C. McFarlane *RCM*

SUBJECT: Covert Action Proposal for Central America

Last evening we received the attached CIA proposal for a very broad program of covert actions to counter Cuban subversion in Central America. It will be considered at the NSC meeting this afternoon.

Two alternatives are presented in the paper -- a large program and a small program. The large one provides for a comprehensive

The limited program

would be confined

While both of these programs are hastily drawn, they are a good beginning. Some of the more obvious problems include the inevitable leaks that would accompany a submission to the Hill of a program and the absorptive capacities of local resources. In addition, as you know, we have had offers which should be taken into account in shaping our own program. But overall, this is a very worthwhile beginning which I recommend you welcome and support.

The key point to be made now is that while we must move promptly, we must assure that our political, economic, diplomatic, propaganda, military, and covert actions are well coordinated. At this meeting, it is recommended that you

-- state that you have already launched (2 weeks ago) a comprehensive effort to develop quickly a strategy for dealing with Cuba and that this paper can and will be scrubbed and integrated into that effort.

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4956
RCM File 3-11
5/21/81
K

Declassified/Released on 2/2/81
under provisions of E.O. 12356
J. R. Reger, National Security Council

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TALKING POINTS

1. BILL CASEY'S PAPER PROVIDES AN EXCELLENT COVERT DIMENSION TO WHAT MUST BE A PROMPT COMPREHENSIVE STRATEGY FOR DEALING WITH CUBA THROUGHOUT CENTRAL AMERICA.

2. TWO WEEKS AGO, I INITIATED WITH CAP, A DISCRETE BUT THOROUGH STUDY AS A BASIS FOR SUCH A STRATEGY.

3. TODAY I AM CIRCULATING A FIRST CUT TO CAP AND BILL SO THAT WE CAN TRANSLATE THE CONCEPT INTO ACTION.

4. IN IT'S PRESENT FORM, BILL'S PAPER HAS MANY UNKNOWNNS WHICH HE ACKNOWLEDGES.

--WHERE WILL WE GET THE MONEY?

--WOULD NOT A [REDACTED] PROGRAM [REDACTED]

INEVITABLY LEAK?

--CANNOT SOME OF THE ITEMS BE FUNDED BY DEFENSE?

--CAN WE NOT GET SOME HELP FROM [REDACTED]

[REDACTED] -I HAVE ALREADY HAD A TENTATIVE OFFER FROM [REDACTED]

--THEN TOO, WE NEED TO SET SOME PRIORITIES IN A PROGRAM AS LARGE AS THIS SO THAT WE GET BUSY DOING THE MOST IMPORTANT THINGS FIRST.

5. I PROPOSE THAT WE TAKE THIS EXCELLENT BEGINNING AND THAT BILL, CAP AND I HAVE OUR GUYS INTEGRATE IT AND COME BACK WITH A REFINED PROPOSAL WITHIN A WEEK.

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1. [REDACTED] 2. [REDACTED] 3. [REDACTED] 4. [REDACTED] 5. [REDACTED] 6. [REDACTED] 7. [REDACTED] 8. [REDACTED] 9. [REDACTED] 10. [REDACTED] 11. [REDACTED] 12. [REDACTED] 13. [REDACTED] 14. [REDACTED] 15. [REDACTED] 16. [REDACTED] 17. [REDACTED] 18. [REDACTED] 19. [REDACTED] 20. [REDACTED] 21. [REDACTED] 22. [REDACTED] 23. [REDACTED] 24. [REDACTED] 25. [REDACTED] 26. [REDACTED] 27. [REDACTED] 28. [REDACTED] 29. [REDACTED] 30. [REDACTED] 31. [REDACTED] 32. [REDACTED] 33. [REDACTED] 34. [REDACTED] 35. [REDACTED] 36. [REDACTED] 37. [REDACTED] 38. [REDACTED] 39. [REDACTED] 40. [REDACTED] 41. [REDACTED] 42. [REDACTED] 43. [REDACTED] 44. [REDACTED] 45. [REDACTED] 46. [REDACTED] 47. [REDACTED] 48. [REDACTED] 49. [REDACTED] 50. [REDACTED] 51. [REDACTED] 52. [REDACTED] 53. [REDACTED] 54. [REDACTED] 55. [REDACTED] 56. [REDACTED] 57. [REDACTED] 58. [REDACTED] 59. [REDACTED] 60. [REDACTED] 61. [REDACTED] 62. [REDACTED] 63. [REDACTED] 64. [REDACTED] 65. [REDACTED] 66. [REDACTED] 67. [REDACTED] 68. [REDACTED] 69. [REDACTED] 70. [REDACTED] 71. [REDACTED] 72. [REDACTED] 73. [REDACTED] 74. [REDACTED] 75. [REDACTED] 76. [REDACTED] 77. [REDACTED] 78. [REDACTED] 79. [REDACTED] 80. [REDACTED] 81. [REDACTED] 82. [REDACTED] 83. [REDACTED] 84. [REDACTED] 85. [REDACTED] 86. [REDACTED] 87. [REDACTED] 88. [REDACTED] 89. [REDACTED] 90. [REDACTED] 91. [REDACTED] 92. [REDACTED] 93. [REDACTED] 94. [REDACTED] 95. [REDACTED] 96. [REDACTED] 97. [REDACTED] 98. [REDACTED] 99. [REDACTED] 100. [REDACTED]

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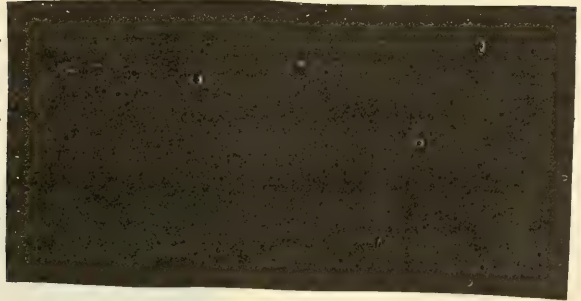
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Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection

53327

I hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this Finding to the concerned committees of the Congress pursuant to law, and to provide such briefings as necessary.

The Department of Defense is directed to provide all necessary assistance and support to the Central Intelligence Agency in implementation of this Finding.

SCOPE

Central America

DESCRIPTION

Directly or in cooperation with foreign governments, engage in a regional effort to expose and counter Marxist and Cuban-sponsored terrorism, insurgency, and subversion in El Salvador, Nicaragua, Guatemala, Honduras, and elsewhere in Central America.



The White House

Date:

EYES ONLY

DO NOT BY
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Declassified/Released on 2/27/12
Under provisions of E.O. 12958
J. Edgar Hoover, Director

Pages N33328 - N33347
(20 pages)

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pages N 44652 - N 44658 (7 pages)
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Partially Declassified on 22 June 1987
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The Boland Amendment

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The Intelligence Authorization Act for FY 1983 included a classified annex which expressed the "sense of the conferees" that no funds authorized by the act should be used "to overthrow the Government of Nicaragua or to provoke a military exchange between Nicaragua and Honduras." ⁶¹ I was informed by congressional staff sources (who asked that their identities be protected) earlier this year that some members of the intelligence committees felt that this restriction (if a non-binding "sense of the conferees" provision can be so characterized ⁶²) was not being observed.

On December 8, 1982, when the continuing resolution for FY 1983 was pending before the House, Congressman Harkin introduced an amendment as follows:

None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of assisting that group or individual in carrying out military activities in or against Nicaragua. ⁶³

While this was being debated, House intelligence committee chairman Boland made public the above mentioned classified annex and proposed a substitute amendment to the Harkin amendment reading as follows:

None of the funds provided in this Act may be used by the Central Intelligence Agency or the Department of Defense to furnish military equipment, military training or advice, or other support for military activities, to any group or individual, not part of a country's armed forces, for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras. ⁶⁴

In return, Congressman Harkin offered a substitute to the Boland substitute which read:

None of the funds provided in this Act may be used by the Central Intelligence Agency or any

61. 128 Cong. Rec. H9156 (daily ed., Dec. 8, 1982).

62. Here I am not suggesting that it might be politically wise to ignore the expressed opinion of the conferees--I am only saying that in this form the language is not legally binding.

63. 128 Cong. Rec. H9148 (daily ed., Dec. 8, 1982).

64. Ibid., at H9158

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agency of the Department of Defense to furnish military equipment, military training or advice or other support for military activities, to any individual or group which is not part of a country's armed forces and which is already known by that agency to have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict between Nicaragua and Honduras.⁶⁵

J 4824

The Harkin substitute was defeated by a vote of 13 to 27 on a division of the House,⁶⁶ and on a roll call vote the Boland substitute passed 411 to 0.⁶⁷ This language was subsequently accepted by the Senate in conference, and became law when the act was signed by the President.

Most of the recent legal criticism of alleged U.S. covert activities in Central America centers around this law. In late March, 37 House members sent a letter to the President reportedly warning that CIA activities in Central America may be violating the law.⁶⁸ Senator Moynihan, the ranking Democrat on the Senate intelligence committee, has been quoted by the New York Times as saying that while the committee has not as yet reached a consensus on whether the Boland amendment has been breached, "A growing number of my colleagues question whether the C.I.A. is complying with the law . . ."⁶⁹ Shortly thereafter, the Washington Post quoted Moynihan as saying that "a crisis of confidence" was building over this issue between Congress and the intelligence agencies. "It is absolutely necessary that the administration obey the law," said Moynihan, who expressed the view that either the law or the operations must be changed because the current situation is untenable."⁷⁰ Senator Goldwater has also been quoted as believing that the CIA might be involved in "plans to destabilize the Nicaraguan government,"⁷¹ but an inquiry to his office produced a denial that he had made any such statement.⁷²

65. Ibid., at H9159.

66. Ibid.

67. Ibid.

68. New York Times, April 1, 1983.

69. Ibid.

70. Washington Post, April 3, 1983.

71. Christian Science Monitor, March 29, 1983.

72. On March 29 I telephoned Denny Sharon, Senator Goldwater's Armed Services Legislative Assistant (Robb Simons, Goldwater's man on the intelligence committee, was out of town). Denny was unfamiliar with the Monitor article, but copied down the key language and said he would check with the Senator (who was out of town). On the morning of March 31, Denny called me back and said the Senator told him that he had made no such statement concerning alleged U.S. involvement in Nicaragua and that he would send a communication to the Monitor disavowing their account.

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The words "for the purpose of . . ." are critical to understanding the Boland Amendment. Does this bar expenditure of funds by the CIA only when the Agency's purpose is to overthrow the Nicaraguan government or to provoke a confrontation with Honduras, or does it also bar funding of a paramilitary group when the Agency's purpose is to pressure Nicaragua to cease its aggression against El Salvador but when the recipient group's objective is to overthrow the Nicaraguan government? The administration has taken the former view--that it is the CIA's "purpose" that is controlling--while at least some congressional critics have suggested that if either the CIA or a group receiving CIA funds has the "purpose" of overthrowing the Government of Nicaragua or provoking an exchange with Honduras the statute prohibits assistance to that group. The Washington Post recently reported:

Chairman Michael D. Barnes (D-Md.) of the House Foreign Affairs subcommittee on Latin America, said CIA attorneys argue that continued spending is legal because the "purpose" of the U.S. agencies supplying money and weapons to the insurgents is not to overthrow the Nicaraguan regime, even if the purpose of the guerrillas who receive the support is to do so. "Not a jury in the country would accept this, and the House will not accept it," said Barnes.⁷³

A similar interpretation was given by New York Times columnist Tom Wicker, who wrote:

Whether the goal is to overthrow the Sandinists or merely make them more amenable to Reagan Administration pressures is not so clear.

Either way, the C.I.A. operation appears to be violating the Boland Amendment, which prohibits support of paramilitary forces "with [sic--should read "for"] the purpose" of overthrowing the Nicaraguan Government. Philip Taubman of the Times reports that C.I.A. officials claim they aren't trying to overthrow that Government, hence are observing the letter of the Boland Amendment. That's like saying you're hitting a man with a hammer but not trying to kill him; and it's the kind of sleazy, hair-splitting "deniability" that debases language and credibility alike.⁷⁴

73. Wash. Post, April 3, 1983.

74. New York Times, April 1, 1983.

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The distinction between the CIA's "purpose" and that of the insurgents allegedly being financed and supplied is an important one, because they don't appear to coincide. Consider this report by Washington Post writer Christopher Dickey, who recently spent time with anti-government guerrillas in Nicaragua:

"The United States is helping us in a way we don't want. They are saying no, no, no to everything. Our men want to do spectacular things," complained one counterrevolutionary political leader outside Nicaragua who was instrumental in setting up our visit. "You have the momentum, and they stop you. It's like an invisible hand holding strings."

As did his men on the ground here, he dismissed the Reagan administration's assertion to Congress that Washington's support for the anti-Sandinistas is intended essentially to cut the Nicaraguan government's arms supplies to insurgents in El Salvador.

"The people who are fighting, they are not fighting to stop the weapons," the counter-revolutionary leader said "We are fighting to liberate Nicaragua."

As [guerrilla leader] Suicide put it here in the middle of the war zone, "we're not going to stop the transport of arms and supplies to the Salvadoran guerrillas or the Guatemalan guerrillas until we cut the head off the Sandinists."⁷⁵

Fortunately, the legislative language is less ambiguous than might at first glance appear to be the case. Particularly when read in context, it is in my view beyond reasonable doubt that Congress was referring to the "purpose" of the CIA and DoD, not the purpose of the individuals and groups receiving assistance from the CIA.

To begin with, the Amendment prohibits the use of certain funds "by the Central Intelligence Agency or the Department of Defense" to furnish certain specified assistance to any "group or individual" "for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Nicaragua and Honduras." [Emphasis added.] That is to say, the law prohibits the expenditure of funds "by" the CIA "for" the prohibited purpose. Had the Congress intended to

75. Washington Post, April 3, 1983.

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prohibit CIA assistance "to any individual or group which is not a part of a country's armed forces and which is already known by that agency to have the intent of overthrowing the Government of Nicaragua or of provoking a military conflict between Nicaragua and Honduras," it would presumably have so stated. Indeed, immediately before unanimously adopting the Boland Amendment, the House considered and overwhelmingly rejected the language I have just quoted, which had been proposed by Congressman Tom Harkin as a substitute to the Boland Amendment. The key difference between the unanimously approved Boland Amendment and the Harkin substitute (which was defeated by a margin of greater than two to one) was that Boland restricted the CIA's "purpose," while Harkin was triggered by the CIA's knowledge of the "intent" of a paramilitary group or individual.

Accepting this interpretation, it is not legally relevant whether the Government of Nicaragua is in fact eventually overthrown, or an exchange between Nicaragua and Honduras takes place. What matters is the motive or purpose for which the assistance is provided. Assistance provided to pressure Nicaragua to cease its intervention in El Salvador--even if it resulted in the fall of the present regime--would not be unlawful; while assistance given to overthrow that regime, even if totally ineffective or actually counterproductive, would violate the law.

Some congressional critics appear to acknowledge that the "letter" of the Boland Amendment has been followed, but charge that the CIA may be violating its "spirit" by failing to maintain adequate control over the paramilitary forces receiving assistance.⁷⁰ Congress may indeed be concerned about the possible consequences of a successful paramilitary effort to overthrow the Sandinistas and the accompanying risks of a conflict between Honduras and Nicaragua--and from both a policy and a political standpoint these considerations may warrant careful attention by administration decision-makers--but as a matter of law it is inappropriate to attach

70. "Members of the Senate Intelligence Committee, including Democrats and Republicans, said this week that a majority of senators on the panel think that the C.I.A. has insufficient control over the paramilitary forces that it supports in the region. . . . [They] said that sentiment on the committee runs strongly to the view that the law has been violated in spirit if not in letter." New York Times, April 1, 1983. See also, ibid., March 30, 1983: "Senator Patrick J. Leahy, Democrat of Vermont, visited Central America earlier this year for the Senate intelligence committee. Members who have read a report that Mr. Leahy prepared about his visit said it had left little doubt that the agency, while following the letter of the Boland amendment, was violating its spirit."

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J 4828

the terms of the rejected Harkin Amendment as baggage to the Boland Amendment. The record shows that the House considered and rejected language which would have prohibited assistance to paramilitary groups intending to overthrow the Nicaraguan government. To suggest that the Harkin Amendment was somehow incorporated into the "spirit" of the Boland Amendment is in my view simply unpersuasive.

Although not legally relevant, it is perhaps worth noting that concerns that the paramilitary contras may succeed in overthrowing the Government of Nicaragua or provoking a conflict between that State and Honduras may be exaggerated. While there have been reports by journalists who have travelled with the contras of significant peasant support for the guerrillas and resentment of the Nicaraguan government,⁷⁷ there seems to be little reason to believe victory is in sight. Consider this assessment by a Washington Post reporter from Managua:

The worries do not seem to be military for the most part. The several thousand counter-revolutionary guerrillas reported to be operating in various zones inside Nicaragua pose little serious challenge to the Sandinistas' 22,000-man conventional army, backed by more than 10,000 trained militia reserves and tens of thousands more volunteer militiamen with rudimentary drill under their belts.

And despite several warnings that Honduras risks war by allowing the antigovernment Nicaraguans to use its territory, Sandinista officials and foreign diplomats say such a conflict is unlikely unless one side or the other makes a severe miscalculation.⁷⁸

Despite the frequent allegations in the press and by some members of the Congress that the Boland Amendment is being violated, I have to date encountered no persuasive evidence that the CIA or the Defense Department is providing assistance to any group for the purpose of overthrowing the Government of Nicaragua or provoking a confrontation with Honduras. Until evidence to that effect can be obtained, I am not prepared to conclude that either the letter or the "spirit" of the Boland Amendment is being violated.

77. See, e.g., Washington Post, April 5, 1983 ("In the six days another reporter and I spent traveling through this province with the U.S.-backed soldiers fighting to overthrow the leftist Sandinista government we saw a pattern of support for the contras by people with many grievances against the revolutionary government in Managua.")

78. Washington Post, March 8, 1983.

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HF 1367

UNCLASSIFIED**Congress of the United States****House of Representatives****Washington, D.C. 20515**

I 2-24

March 24, 1983

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing to express our deep concern about published reports that thousands of heavily-armed insurgents have entered Nicaragua from Honduras. There have also been press reports of a build-up of Honduran troops along the Nicaraguan border. Leaders from both Nicaragua and Honduras, most recently during an emergency meeting of the United Nations Security Council, have exchanged charges that the other side is about to invade. The climate of heightened tensions and escalating military activity inside Nicaragua raises, we believe, the threat of direct conflict between Nicaragua and Honduras.

Press reports over the past year and a half have suggested that the Central Intelligence Agency has engaged in covert operations against Nicaragua, and that these activities include the support of anti-Sandinista elements based in Honduras. We believe that U.S.-supported anti-Nicaraguan forces may be involved in the current hostilities. If this is the case, we believe this support is a violation of the Boland amendment to the Department of Defense Appropriations bill adopted last December.

As you may recall, the Boland amendment specifically prohibits the funding by the CIA or the Department of Defense of any group or individual for the purpose of overthrowing the government of Nicaragua or of provoking a military exchange between Honduras and Nicaragua. We believe that the current attacks inside Nicaragua are creating a climate in which open hostilities between Nicaragua and Honduras are a distinct possibility.

We urge you to act in strict compliance with our domestic legal obligations as well as those embodied in the international charters of the United Nations and the Organization of American States.

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E.O. 12958
DATE 10/1/83 BY 1043

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The President
March 24, 1983
Page Two

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HR 1201

We support a policy in Central America that seeks reconciliation among opposing forces and minimizes the potential for inter-state conflict. We believe that our national interests lie in promoting peace in the region.

Sincerely,

George Miller
GEORGE MILLER, M.C.

Martin Olav Sabo
MARTIN OLAV SABO, M.C.

Bruce F. Vento
BRUCE F. VENTO, M.C.

Dennis E. Eckart
DENNIS E. ECKART, M.C.

Jim Slattery
JIM SLATTERY, M.C.

William Gray
WILLIAM GRAY, M.C.

Sam Geedenson
SAM GEEDENSON, M.C.

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BARNEY FRANK, M.C.

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GEORGE W. CROCKETT, JR., M.C.

Gale E. Kildee
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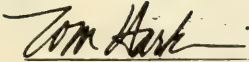
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JOHN SEIBERLING, M.C.

Julian C. Dixon
JULIAN C. DIXON, M.C.

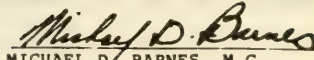
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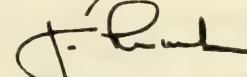
TOM HARKIN, M.C.




MICHAEL D. BARNES, M.C.



JAMES L. OBERSTAR, M.C.



JIM LEACH, M.C.


RICHARD OTTINGER, M.C.

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UNCLASSIFIEDTHE WHITE HOUSE
WASHINGTON*Raymond*

July 1, 1983

MEMORANDUM FOR THE SPG PRINCIPALS

2-38

SUBJECT: Public Diplomacy (Central America)

The President has underscored his concern that we must increase our efforts in the public diplomacy field to deepen the understanding of and support for our policies in Central America. This effort must focus both on the foreign and domestic audiences. To coordinate this program and to insure that the effort has the appropriate treatment of Foreign policy issues, it is essential to designate an overall coordinator who will be responsible for the development and implementation of a public diplomacy strategy concerning Central America.

Secretary Shultz and I have discussed this, at some length and have agreed to ask Otto Reich to assume this responsibility for the SPG. He will replace Senator Stone who has assumed other duties. Mr. Reich will focus not only on the developments in Central America but also on the impact that these activities have in Latin America as well as elsewhere overseas and in the United States. For this assignment he will function as the Secretary's advisor and as SPG Coordinator for Public Diplomacy for Central America/Caribbean. Mr. Reich will carry out his responsibilities in the context of the International Political Committee with substantive policy guidance to be provided by established policy making bodies in his field. The Public Affairs and International Information Committees will also play key roles in this overall effort.

Mr. Reich will need staff support, to include officers detailed from appropriate agencies and departments. His office will be established in the Department of State. The Department of State will provide Mr. Reich with appropriate office space, logistic support, operating budget and clerical support.

Mr. Reich's activities should commence immediately. He should keep the SPG regularly informed and should attend all SPG meetings concerning Central America.

ch. 2
#38*Robert M. Stone*
William P. Claitor

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Partially Declassified/Released on 25 FEB 88
under provisions of E.O. 12356
by K. Johnson, National Security Council

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Chapter

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Deserves
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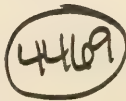


Department of State
United States of America

Meritorious Honor Award
Office of Public Diplomacy
for Latin America and the Caribbean

*For exceptionally outstanding service in developing, preparing and implementing
public diplomacy programs in support of United States policy in Central America
from April, 1984 until April, 1986*

June, 1986



[Signature]
Special Assistant
Bureau of Latin American Affairs

S009466

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STATE - AID - USIA NOMINATION FOR INCENTIVE AWARD Submit in an original and five (5) copies		DO NOT USE THIS SPACE	
		STATE	AID USIA
		HONOR NO.	CASH NO.
		DATE REC'D. BY AWARDS COMMITTEE	
PART I - NOMINATION			
1. NAME OF NOMINEE (Last, First, Middle Initial) See attached list		2. ORG. SYMBOL OR POST S/LPD	
3. PRESENT POSITION TITLE AND GRADE		4. POSITION HELD DURING PERIOD COVERED BY NOMINATION, IF DIFFERENT THAN PRESENT	
3. TYPE OF AWARD RECOMMENDED			
A. Secretary's Award		C. Distinguished Honor Award	
B. Award for Meritorious		D. Superior Honor Award	
E. Superior Performance		F. Meritorious Honor Award	
6. BASIS FOR AWARD		7. ESTIMATED 1ST YEAR TANGIBLE BENEFITS	
A. Special Act		8. INTANGIBLE BENEFITS	
B. Superior Performance		9. RECOMMENDED AWARD	
10. JUSTIFICATION FOR NOMINATION (Include a concise 3 or 4 line statement pinpointing the achievement that could be used on the honor award certificate)			
<p>For exceptionally outstanding service in developing, preparing, and implementing public diplomacy programs in support of United States policy in Central America from April 1984 to April 1986.</p> <p>Upon its establishment, the Office of Public Diplomacy for Latin America and the Caribbean (S/LPD) took a vital role in shaping the debate on the USG's Central American policy within the United States and in the international arena. S/LPD is an interagency office whose personnel are contributed by USG foreign affairs agencies, including Department of State, Agency for International Development, United States Information Agency, and the Department of Defense.</p> <p>Public diplomacy is a new, non-traditional activity for the United States Government. Thus, S/LPD's staff have been pioneers in forging a new tool for the implementation of foreign policy. S/LPD has played a key role in setting out the parameters and defining the terms of the public discussion on Central America policy. Despite the efforts of the formidable and well established Soviet/Cuban/Nicaraguan propaganda apparatus, the achievements of U.S. public diplomacy are clearly visible. When S/LPD began to publicize the facts about the situation in Central America, the public debate was marked by almost total ignorance. Much of the information which was available was simply false, and some of this untrue information had entered the debate through disinformation operations. United States policy, based on a reasonable appreciation of the facts available to the government, was completely misunderstood, since the public was working from an entirely different viewpoint that was based on the limited and inaccurate information available at the time. S/LPD contributed directly to improvement to the quality and relevance of the public debate by making accurate information available through presentation of unclassified government information, establishment of methods to declassify intelligence information in a timely manner, and aggressive seeking of intelligence information which could be declassified without damaging other national interests, and dissemination of this material. As a result of S/LPD's efforts, no longer do serious critics of U.S. policy deny that the Sandinistas are providing arms, logistical support, training camps and propaganda support for the Salvadoran guerrillas and other subversive groups in Central America. The Sandinistas defenders and opponents of U.S. policy can no longer credibly present the Sandinistas or the Salvadoran guerrillas as</p>			

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PAGE 2

10. JUSTIFICATION FOR NOMINATION (Continued)

democratically oriented "social reformers" as they did only two years ago. S/LPD's dozens of major and hundreds of minor publications, hundreds of press and media interviews, hundreds of public speeches, uncountable quiet behind-the-scenes work with outside support groups, and intelligent selection of arguments and themes for public debate have contributed to the change. These efforts have changed the terms of the policy debate. S/LPD has contributed to the unshackling of the public perception of policy from myths and cant; public debate on Central America now focuses on how best to solve a problem recognized in its basic dimensions by all responsible parties.

The officer personnel of S/LPD contributed by preparing original publications and carrying out the task of distributing them via various mailing lists to journalists, interest groups, selected U.S. Government officials, members and staff of the Congress, and to USIA for overseas distribution. Depending upon their nature and the appropriate audience, distribution has ranged from 6,000 to 80,000 copies of individual publications. Officers presented hundreds of oral briefings to the press, Congressmen and staff, and speeches to public audiences. Hundreds of talking point papers were prepared for high level officials. Special events, such as presentation of a display of captured guerrilla weapons and documents from El Salvador to the President of the United States before the national news media, and the Vice Presidential ceremony commemorating the second anniversary of the Grenada rescue, were also accomplished by S/LPD staffers working with other government agencies. S/LPD officers created, staffed, and executed complex public diplomacy plans to mobilize and coordinate the public diplomacy activities of the major U.S. foreign affairs agencies. These plans directed these agencies in integrated public diplomacy operations as S/LPD performed its most vital function, then totally new to the government, of coordinating the operations of multiple agencies in pursuit of defined public diplomacy goals. As a result S/LPD not only helped create an atmosphere for workable policies, but also helped to implement these policies. S/LPD clearly developed an entirely new methodology as it brought together operations formerly carried on separately. As a result of S/LPD's success in the development of the necessary methodologies, similar operations have been initiated for Southern Africa and for terrorism issues.

S/LPD's secretarial staff made a constant and vital contribution to this success. Because of the large numbers of publications, informal papers, and other documents disseminated to the government, press, and public, the S/LPD secretarial staff had the often grueling task of typing and putting in proper format the drafts of hundreds of formal Department of State publications, briefing papers, and informal communications. These documents frequently had to be retyped time after time as revisions, incorporation of multiple agency clearances, and polishing of drafts were accomplished. Because of S/LPD's policy of responding immediately to misinformation and disinformation in the public media, projects with short deadlines were the rule. Everyone worked under intense pressure. Output was of high quality. Despite the heavy secretarial workload, constant short-notice overtime, and high pressure, morale remained high and the mission was accomplished. The entire staff of S/LPD has earned superior recognition for its dedication and outstanding accomplishments.

(If necessary, use additional sheets and staple them to this form)

11. NOMINATING AND CLEARANCE OFFICIALS

A. Typed Name	B. Title	C. Location	D. Signature	E. Date
1. John D. Blacken	Deputy Coordinator	S/LPD	<i>John D. Blacken</i>	5/14/82
2. Otto J. Reich	Coordinator	S/LPD	<i>Otto J. Reich</i>	5/15/82
3. '				

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S/LPD Staff Included
in
Superior Performance
Meritorious Honor Award

Janice Barbieri
Ellen Bork
Gloria Bowman
Mary Catherine English
Antonia M. Greenman
Barbara K. Hambrick
Stephen C. Johnson
Margarita T. Labrada
Lattice I. McNeill
Shirley T. Powell
Brenda Watkins
Jami Ann Yacob
Johnathan Miller

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PART II - ACTION TAKEN BY JOINT COMMITTEE			
1. THIS COMMITTEE RECOMMENDS THAT THE NOMINATION BE:		2. AMT. RECOMMENDED	
<input type="checkbox"/> A. Secretary's Award <input type="checkbox"/> B. Award for Meritorious <input type="checkbox"/> C. Distinguished Honor Award <input type="checkbox"/> D. Superior Honor Award <input checked="" type="checkbox"/> E. Meritorious Honor Award		3	

3. REMARKS

4. TYPED NAME OF COMMITTEE CHAIRMAN	5. SIGNATURE OF COMMITTEE CHAIRMAN	6. DATE
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PART III - ACTION TAKEN BY CHIEF OF MISSION

1. I RECOMMEND THAT THE NOMINATION BE:	2. REMARKS
<input type="checkbox"/> Approved <input type="checkbox"/> Disapproved	

3. TYPED NAME OF CHIEF OF MISSION	4. SIGNATURE OF CHIEF OF MISSION	5. DATE
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PART IV - ACTION TAKEN BY AREA AWARDS COMMITTEE

1. THIS COMMITTEE RECOMMENDS THAT THE NOMINATION BE:		2. AMT. RECOMMENDED	
<input checked="" type="checkbox"/> I. Approved for the following award(s) <input type="checkbox"/> Disapproved		3	
<input type="checkbox"/> A. Secretary's Award <input type="checkbox"/> B. Award for Meritorious <input type="checkbox"/> C. Distinguished Honor Award <input type="checkbox"/> D. Superior Honor Award <input checked="" type="checkbox"/> E. Meritorious Honor Award			

3. REMARKS

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4. TYPED NAME OF COMMITTEE CHAIRMAN	5. SIGNATURE OF COMMITTEE CHAIRMAN	6. DATE
Mr. Richard Harrison	<i>[Signature]</i>	6/2/86

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1. I RECOMMEND THAT THE NOMINATION BE:		<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved		2. REMARKS	
UNCLASSIFIED					
3. TYPED NAME OF APPROPRIATE OFFICIAL			4. SIGNATURE OF APPROPRIATE OFFICIAL		5. DATE
Mr. Louis Schwartz, Director XRA/FX			<i>[Signature]</i>		6/10/53
PART VI - ACTION TAKEN BY WASHINGTON INCENTIVE AWARDS COMMITTEE					
1. THIS COMMITTEE:					
<input type="checkbox"/> Approves the nomination for the following award(s) <input type="checkbox"/> Disapproves the nomination					
A. Secretary's Award		B. Award for Merit		C. Distinguished Honor Award	
2. AMT. APPROVED		3. REMARKS			
4.					
Signature			Approved		Disapproved
Use This Space For Continuation of Items, As Necessary					

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Chapter 2, Footnote 42

United States Department of State

Washington, D.C. 20520

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June 25, 1985

outgoing chron
~~Administration~~
Budget ✓

MEMORANDUM

TO: S/S-EX - Mr. George F. Twohie
 FROM: S/LPD - Frank Gardner *FL*
 SUBJECT: Current Program of S/LPD

As a supplement to my memorandum of June 21, this is additional information on some of the most notable accomplishments of S/LPD over the last twelve months:

The Office of Public Diplomacy for Latin America and Caribbean (S/LPD), headed by a Coordinator whose rank is equivalent to that of an Assistant Secretary, published three major documents in conjunction with the Department of Defense in support of the President's program:

A 600-page book entitled, "Grenada Documents: An Overview and Selection;"

A 45-page booklet entitled, "The Soviet-Cuban Connection in Central America and the Caribbean;"

A 40-page booklet entitled, "The Sandinista Military Build-up."

S/LPD also published eight other documents on its own, most notable of which were:

A 31-page booklet entitled, "Broken Promises: Sandinista Repression of Human Rights in Nicaragua;"

A 23-page pamphlet entitled, "Misconceptions About U.S. Policy toward Nicaragua."

The publications averaged about 15,000 copies each and were disseminated to persons interested in spreading the President's message to the public, the media, and the Congress.

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Chapter 2, Footnote 44

United States Department of State

Washington, D.C. 20520

2-44

March 13, 1985

CONFIDENTIAL/EYES ONLY

TO: Mr. Pat Buchanan
Assistant to the President
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

DEPARTMENT OF STATE A/CDC/NE

REVIEWED BY F. Smith DATE 9-16

RDS ☐ or IDS ☐ EXT. DATE ☐
AUTH. 16 REASON(S) ☐
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED ☒ RELEASABLE ☐
RELEASE DENIED ☐
PA or FOI EXEMPTIONS ☐

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.
- In case you missed last night's NBC News with Tom Brokaw, you might ask WRECA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the freedom fighters are doing; i.e., not baby killing). Although I wasn't wild about the tag line, it was a positive piece.
- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

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Declassified in accordance with E.O. 12958
by R. Reger, National Security Council

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Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeil-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.
- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congressman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activities that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-up since our office has been crafted to handle the concerns that you have in getting the President's program for freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

Nicaragua Is Armed for Trouble

By Joan P. Garrahan in

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and not MiGs, almost as one bothered to ask us last that, sophisticated, well-armed, long-range helicopter gunships could do in the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Shortly before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boxes that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was super sonic MiG-21s: High-technology warning bells went off in U.S. news rooms.

As the ship neared Nicaragua's Pacific port of Corinto (and as the U.S. election news) speculation ran at fever pitch.

The bubble of fevered speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement more or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unloaded, all but unremarked, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunships. It is likely the second shipment of crates contained additional Hinds. The copters received scant attention, as did the possibility that the crates might also contain Czech Li-2 jet trainers. The U.S. State Department in the Reagan administration was silent as almost audible sighs of relief.

They Looked Foolish

their power and rotor blades of U.S. making helicopter operations a marginal proposition, particularly in summer. Forced by limited power to fly low along valleys, helicopters are vulnerable to plunging fire from the peaks and ridgelines above. Afghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low altitudes, the Hind is in its element. Its impressive underwing ordnance (it can carry in excess of 2,800 pounds of 57-mm rockets, bombs and precision-guided antitank missiles) and its sophisticated turret-mounted rotary 12.7-mm gun make it a flexible and thoroughly capable weapons system. Its fire-control system is both sophisticated and reliable. Unlike Western gunships, it can carry from six to eight troops.

Pitted against the feeble or nonexistent anti-aircraft defenses of the non-communist Central American powers, the Hind repre-

sents an armored vehicle spearheading an army larger than that of its neighbors, augmented by a sophisticated ground-based anti-aircraft system, housing SAM-7s, radar-directed 57-mm guns and highly mobile ZSU 23-4s, the implications of its arrival in Nicaragua are chilling. With the delivery of high-performance MiGs for top cover, and deep interdiction strikes, the classic Soviet-style blitzkrieg package will be complete.

In all of this, we have missed something important. It is not that acceptance by the U.S. media, if not the Reagan administration, of the delivery of jet trainers and helicopters to Nicaragua has established a precedent for the subsequent delivery of MiGs. That is valid as far as it goes. The real point is revealed: The Li-2s and Mi-24s, particularly the latter, represent a major threat to themselves. Second, their arrival must be viewed as one more piece of a greater puzzle, the formation in Central America of a classic Soviet-style offensive combined arms team. And make no mistake: The Soviet doctrinal model, which the Sandinistas are clearly following, is inherently offensive in nature.

The initial MiG statement by U.S. aides came on Nov. 1. By Nov. 18, the Sandinista ambassador to Spain, Orlando Castillo, told reporters his government's position: No, Nicaragua did not have MiGs—yet. Yes, it had every intention of obtaining some as soon as it could—for self-defense: Thus the impending arrival of the last piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for the other shoe to drop, we are confronted by the release of a report last week by the Council on Hemispheric Affairs asserting that the Sandinistas' buildup is intended only to counter a feared U.S. invasion and—as essential corollary—that it is of

The media have focused on the icing—the MiGs—and missed the fact that a Soviet-style offensive arms cake has been baked beneath our noses.

sents an awesome capability, with or without top cover from MiGs. Flying low beneath the thin radar net and hugging the terrain, it can slip into neighboring countries with impunity. It can attack patrols and border posts with surgical precision, going as slow as necessary to do the job.

In the dove and dirty game of slipping across a border, bagging a Honduras or Salvadoran C-47, and slipping back, all underneath radar coverage and hence undetected, the Mi-24 would be supreme. Distances are short in Central America and

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47-49Comptroller General
of the United States

Washington, D.C. 20548

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September 30, 1987

The Honorable Jack Brooks
Chairman, Committee on
Government Operations
House of Representatives

The Honorable Dante B. Fascell
Chairman, Committee on
Foreign Affairs
House of Representatives

Dear Mr. Chairmen:

This responds to your joint letter of March 31, 1987, requesting this Office to conduct an investigation and render a legal opinion on the legality and propriety of certain activities of the Office for Public Diplomacy for Latin America and the Caribbean (S/LPD) of the Department of State. Subsequent discussion with your staff limited the scope of the legal opinion to the issues of alleged lobbying and the development and dissemination of propaganda from 1984 to the present.

We conducted a review to develop the facts regarding the lobbying and propaganda issues, which consisted of interviews of knowledgeable individuals and a search of the S/LPD files. As a result of our review, we conclude that S/LPD's activities involving the preparation and dissemination of certain types of information violated a restriction on the use of appropriated funds for publicity or propaganda purposes not authorized by the Congress. We do not believe, however, that available evidence will support a conclusion that the applicable antilobbying statute has been violated. We are presently continuing a review of certain other S/LPD activities, and will keep you informed of our progress on a periodic basis.

THE PROPAGANDA ISSUE

According to Ambassador Otto J. Reich, who directed S/LPD from 1983 until 1986, the Office of Public Diplomacy for Latin America and the Caribbean was established within the Office of the Secretary of State in 1983 to engage in a campaign to influence the public and the Congress to support increased funding for the Administration's Central American policy. In pursuit of its public diplomacy mission, S/LPD used its own staff, and let a number of contracts with

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outside writers, for articles, editorials and op-ed pieces in support of the Administration's position. Generally, S/LPD employed direct and overt methods in using the media to favorably influence the public to support the Administration's Central American Policy. However, information developed during the course of our investigation demonstrates that, on occasion, S/LPD also arranged for the publication of articles which purportedly had been prepared by, and reflected the views of, persons not associated with the government but which, in fact, had been prepared at the request of government officials and partially or wholly paid for with government funds.

For example, S/LPD arranged for a university professor, who was also paid as a consultant to S/LPD, to write a newspaper article in support of the Administration's Central America policy without alerting readers or, apparently, the newspaper that the government was involved. S/LPD described this technique in a March 12, 1985, internal memorandum to another Department of State office. Attached to that memorandum was an op-ed article entitled "Nicaragua is Armed for Trouble," which was ostensibly written exclusively by Professor John Guilmartin of Rice University, and published in the March 11, 1985 issue of the Wall Street Journal. The memorandum states that "Professor Guilmartin, who is a consultant to our office, and the Public Diplomacy staff worked extensively on this piece." However, the published article lists the author solely as John F. Guilmartin, Jr. and describes him as follows:

"Mr. Guilmartin is adjunct professor of history at Rice University in Houston. He was formerly a lieutenant colonel in the U.S. Air Force and editor of the Air University Review."

The Guilmartin article was one of five "white propaganda" operations described in a March 13, 1985, memorandum from S/LPD to the Assistant to the President and Director of Communications. The memorandum stated the following about the article:

"Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our Office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation."

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The memorandum also described as follows the use of consultants to write op-ed pieces for Nicaraguan opposition leaders:

"Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello, Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times."

A third item in the memorandum describes the use of a "cut-out" to arrange visits to various news media by a Nicaraguan opposition leader. Although the term is not defined, it appears to reflect an intention to hide the fact that the opposition leader's visits were being arranged by the government. The closing paragraph of the memorandum explains that S/LPD will not communicate its activities on a regular basis to the Director of Communications in part because "the work of our operation is ensured by our office's keeping a low profile."

The memorandum, which is enclosed with this opinion, was initially classified by the Department of State as "Confidential." Following our request, it was declassified by the Department on September 10, 1987. Three other documents similarly were declassified following our request.

The use of appropriated funds by the Department of State for certain types of publicity and propaganda is prohibited. Section 501 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1985, Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545, which provided fiscal year 1985 funding for the Department of State, reads as follows:

"Sec. 501. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress."

The legislative history of section 501 is silent as to the intended effect of the restriction. See H.R. Rep. No. 197, 99th Cong. 1st Sess. 90 (1985). This Office has had numerous occasions in the past to interpret language similar to section 501. We have held that such a provision prohibits the use of federal funds for two distinct types of publicity and propaganda activities.

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First, it prohibits "self-aggrandizement" activities on the part of a federal agency, which have been described by our Office as publicity activities of a nature tending to emphasize the importance of the agency or activity in question. 31 Comp. Gen. 311, 313 (1952), B-212069, October 6, 1983. Self-aggrandizement is not an issue in the present situation.

Second, we have construed the language of section 501 as prohibiting covert propaganda activities of an agency, which is the issue involved in the situations described above. In our decision B-223098, October 10, 1986, we held that editorials in support of a proposed reorganization of the Small Business Administration (SBA) prepared by SBA for publication as the ostensible editorial position of newspapers to which the editorials were submitted, were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term.

We conclude that the described activities are beyond the range of acceptable agency public information activities because the articles prepared in whole or part by S/LPD staff as the ostensible position of persons not associated with the government and the media visits arranged by S/LPD were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term. Therefore, under the rationale enunciated in B-223098, *supra*, these activities violated the "publicity and propaganda" prohibition of section 501.

We have been unable to estimate the amount of effort and funds expended on covert propaganda operations. Materials contained in S/LPD files indicate that covert propaganda operations were conducted on several other occasions and were not separated from routine legitimate activities. In view of the difficulty in determining the exact amount expended illegally, as well as the identity of any particular voucher involved, we conclude that it would not be appropriate in these circumstances to attempt recovery of the funds improperly expended. We recommend that the Department of State take action to insure that violations of appropriations restrictions contained in section 501 do not occur in the future.

THE LOBBYING ISSUE

The S/LPD staff carried on many activities designed to influence the public and the Congress to support the Administration's Central American policy, in keeping with the purpose for which S/LPD was established. Ambassador Reich gave a briefing to the Secretary of State

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S 11650

in which he explained that S/LPD's objective in attempting to influence Congress was:

"To gain sufficient bipartisan support in Congress to permit approval of increased assistance, economic and military, to Central America and to preclude crippling restrictions on actions in support of U.S. policy objectives in the region."

Sometime in 1983, S/LPD developed a close working relationship with a public interest group entitled "Citizens for America" (CFA). CFA is a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. CFA has its headquarters in Washington, D.C. and is organized into regions and local district committees throughout the country, which are staffed with volunteer workers. Volunteers receive periodic instructions from CFA's Washington headquarters, when legislative action is scheduled in the Congress, to call and write members of Congress, to write letters-to-the-editor and op-ed pieces, and call in and appear on radio talk shows in support of the Administration's policy on Central America.

On March 4, 1984, the Chairman of CFA wrote the Secretary of State informing him of the details of his grass roots lobbying effort in support of the Administration's policy. Ambassador Reich, then head of S/LPD, prepared a draft response letter to the Chairman for the Secretary to sign. In the transmittal memo, Ambassador Reich described the close working relationship between CFA and S/LPD as follows:

"Citizens for America has been carrying out a public education campaign on Central America.

"Our office has a very good working relationship with Citizens for America and has provided CFA with a great deal of information.

"A word of encouragement and appreciation from you would go a long way toward letting CFA know we recognize and value their efforts."

Again on July 3, 1984, the CFA Chairman wrote the Secretary of State making the following request:

"We hope you will be able to contribute a one-page letter to our 'action kit' voicing your support for this vital aid and your feeling that Congress must address the issue this summer.

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S 11654

"This request is urgent. Your contribution will mean more op-ed pieces, letters to the editor, calls to Congressmen, and radio and television interviews -- the elements of grass-roots support so vital for effective political action.

"Thanks so much for your help. Anne Barton will be in touch with a member of your staff today to provide any details you might need."

Ambassador Reich prepared a draft response letter for the Secretary of State to sign. The draft letter was not used. Instead, the Office of the Secretary sent Ambassador Reich an extract from a statement by Secretary Shultz before the Subcommittee of Foreign Operations of the House Appropriations Committee on March 16, 1983, and instructed him to reply to the CFA Chairman. We could not locate a copy of Ambassador Reich's reply to CFA.

The annual Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act,^{1/} under which the Department of State receives its appropriations, does not contain a restriction on the use of such funds for lobbying. The only antilobbying legislation relevant to these circumstances is 18 U.S.C. § 1913, which reads in part as follows:

"No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business."

Section 1913 further provides for penalties of a fine, imprisonment, and removal from federal service.

^{1/} See, e.g., Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1345.

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Because 18 U.S.C. § 1913 provides for criminal penalties, its interpretation and enforcement is the responsibility of the Department of Justice. This Office may, however, refer appropriate cases of apparent violations of 18 U.S.C. § 1913 to the Justice Department for prosecution. See, e.g., B-212235(1), November 17, 1983 (Commerce Department publication favoring revision of Export Administration Act referred to Justice). To our knowledge, there has never been a prosecution under this statute. B-217896, July 25, 1985. In addition, only a few court decisions have cited the statute and generally they have not dealt with the question of a violation, but have been concerned with peripheral issues. See, e.g., National Association for Community Development v. Hodgson, 356 F. Supp. 1399 (D.D.C. 1973); American Public Gas Association v. Federal Energy Administration, 408 F. Supp. 640 (D.D.C. 1976). See B-214455, October 24, 1984.

The Department of Justice interprets 18 U.S.C. § 1913 to apply only when funds are spent in a grass roots lobbying effort, where an attempt is made to induce members of the public to contact their representatives in Congress to persuade them to either support or oppose pending legislation. B-216239, January 22, 1985; 63 Comp. Gen. 624, 625-226 (1984).

We note that 18 U.S.C. § 1913 prohibits the use of appropriated funds for printed or written matter intended or designed to influence legislation pending before the Congress. If S/LPD expended any appropriated funds to develop the information provided to CFA, such expenditure might constitute a violation of 18 U.S.C. § 1913. On the other hand, if the information provided CFA was readily available within the Department of State, the expenditure of funds would not have been necessary, and the statute would not have been violated. See B-129874, September 11, 1978. We have not found any evidence indicating that S/LPD expended appropriated funds for such information. The only document found during our investigation that was given to CFA by S/LPD was a copy of testimony presented by the Secretary of State at a congressional hearing and was readily available. Accordingly, we found no evidence that would lead us to conclude that S/LPD violated 18 U.S.C. § 1913 in its relationship with CFA.

SUMMARY AND CONCLUSIONS

S/LPD engaged in prohibited, covert propaganda activities designed to influence the media and the public to support the Administration's Latin American policies. The use of appropriated funds for these activities constitutes a

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S 11656

violation of a restriction on the State Department annual appropriations prohibiting the use of federal funds for publicity or propaganda purposes not authorized by the Congress.

S/LPD also developed a close mutually supportive relationship with CFA, a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. S/LPD acknowledges giving CFA a great deal of information. However, we have not found any evidence that S/LPD officials violated the applicable antilobbying statute.

Unless you publicly announce its contents earlier, we plan no further distribution until 30 days from the date of this opinion. At that time, we will send copies to interested parties and make copies available to others on request.

Sincerely yours,

for Harry R. Van Cleave
Comptroller General
of the United States

Enclosure

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**UNCLASSIFIED
FILE 88WED**

Enclosure

United States Department of State

Washington, D.C. 20520-657

March 13, 1985

~~CONFIDENTIAL~~/EYES ONLY

TO: Mr. Pat Buchanan
Assistant to the President
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY F. Smith DATE 5-10-85

RDS ☐ or IDS ☐ EXT. DATE

TO AUTH. 16 REASON(S)

ENDORSE EXISTING MARKINGS ☐

DECLASSIFIED/RELEASABLE ☐

RELEASE DENIED ☐

PA or FOI EXEMPTIONS

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.
- In case you missed last night's NBC News with Tom Brokaw, you might ask WHCA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the freedom fighters are doing; i.e., not baby killing). Although I wasn't wild about the tag line, it was a hitive piece.
- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

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- 2 -

Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition - leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeill-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.
- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congressman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activities that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-up since our office has been crafted to handle the concept that you have in getting the President's program for freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

Nicaragua Is Armed for Trouble

By James F. GILCHRIST JR.

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and 72 MiGs, almost as one bothered to ask what kind of sophisticated, well-armed, long-range helicopter gunships could do in the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Shortly before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boxes that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was supersonic MiG-21s: High-technology warbirds well west off as U.S. news rooms.

As the ship neared Nicaragua's Pacific port of Corinto (and as the U.S. election seemed) speculation ran at fever pitch.

The bubble of fevered speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement more or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unloaded, all but unremarked, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunships. It is likely the second shipment of crates contained additional Hinds. The copters received scant attention, as did the possibility that the crates might also contain such L-29 jet trainers. The U.S. administration's story in the Reagan administration seemed as almost audible sigh of relief.

They Looked Foolish

their power and rotor blades of U.S. making helicopter operations a marginal proposition, particularly in summer. Forced by limited power to fly low along valleys, helicopters are vulnerable to plunging fire from the peaks and ridges above. Afghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low altitudes, the Hind is at its element. Its impressive underwing ordnance (it can carry in excess of 2,800 pounds of 57-mm rockets, bombs and precision-guided antitank missiles) and its sophisticated turret-mounted rotary 12.7-mm gun make it a flexible and thoroughly capable weapons system. Its fire-control system is both sophisticated and reliable. Unlike Western gunships, it can carry from six to eight troops.

Pitted against the feeble or nonexistent aircraft defenses of the non-communist Central American powers, the Hind repre-

The media have focused on the icing—the MiGs—and missed the fact that a Soviet-style offensive arms cake has been baked beneath our noses.

sents an awesome capability, with or without top cover from MiGs. Flying low beneath the thin radar net and hugging the terrain, it can slip into neighboring countries with impunity. It can attack patrols and border posts with surgical precision, going as slow as necessary to do the job.

In the slow and dirty game of slipping across a border, hugging a Honduras or Salvadoran C-47, and slipping back, all underneath radar coverage and hence undetected, the Mi-24 would be supreme. Distances are short in Central America and

other armored vehicles spearheading an army larger than that of any of its neighbors, augmented by a sophisticated ground-based antiaircraft system, including SAM-7s, radar-directed 57-mm guns and highly mobile ZSU 23-4s, the implications of their arrival in Nicaragua are chilling. What the delivery of high-performance MiGs has for the deep interdiction screen, the classic Soviet-style blitzkrieg package will be complete.

In all of this, we have missed something important. It is not that acceptance by the U.S. media, if not the Reagan administration, of the delivery of jet trainers and helicopters to Nicaragua has established a precedent for the subsequent delivery of MiGs. That is valid as far as it goes. The real point is twofold: The L-29s and Mi-24s, particularly the latter, represent a major threat to themselves. Second, their arrival must be viewed as one more piece of a greater puzzle, the formation in Central America of a classic Soviet-style offensive combined arms team. And make no mistake: The Soviet doctrinal model, which the Sandinistas are clearly following, is inherently offensive in nature.

The initial MiG statement by U.S. aides came on Nov. 1. By Nov. 13, the Sandinista ambassador to Spain, Orlando Carrillo, told reporters his government's position: No, Nicaragua did not have MiGs—yet. Yes, it had every intention of obtaining some as soon as it could—for self-defense. Thus the impending arrival of the last piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for the other shoe to drop, we are confronted by the release of a report last week by the Council on Hemispheric Affairs asserting that the Sandinistas' buildup is intended only to counter a feared U.S. invasion and—as essential corollary—that it is of

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Chapter 2, Footnote 50



THE JOINT STAFF

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OF Central Intelligence Agency
FOR OPERATIONSMEMORANDUM FOR THE DEPUTY DIRECTOR
~~CENTRAL INTELLIGENCE AGENCY~~

2-50

Subject: DOD Support for DCI (S)

1. (TS) We have evaluated your request for [redacted] needed to support the Nicaraguan resistance effort as directed by the 12 July 1983 Presidential Memorandum. Although DOD has the capability to provide this type support, there are still two major obstacles--legal authority and funding.
2. (TS) The Office of the General Counsel, OSD, has advised that there is now insufficient legal authority for DOD to provide the requested support. However, they anticipate a new Presidential Finding, expected to be issued in September, will provide necessary authority. We must wait until that Finding is issued before we can proceed.
3. (S) Funding is a separate problem the new Presidential Finding may not completely resolve. DOD must still comply with established statutes pertaining to use of funds and reimbursement for support provided another agency of the government. Please provide us your funding proposal and any recommendations you may have on how to legally solve this problem.
4. (S) Our people are working with yours to be operationally ready to implement the program immediately after the new Presidential Finding is issued. If we can get the funds issue resolved, we should be able to meet that goal. Your expeditious response is required to prevent any further delay.

MFR: COPY OF THIS WAS GIVEN TO [redacted] HE
USGD IT TO PREPARE A MEMO FROM DUSD(P) TO DDCI.
ISSUE WAS OBE BEFORE IT WAS SIGNED OUT.

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CLASSIFIED BY DIRECTOR,
CENTRAL INTELLIGENCE AGENCY

WORKING PAPER

LAWGERS: Bob A. Dixon

CIA George Clark

4473

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TO: CJCS	CLASSIFICATION TOP SECRET	FOR USE BY ORIGINATOR
THRU:		FOR USE BY OJCS ONLY
DOS		DIRM NO. DIRM DATE ACTION <input checked="" type="checkbox"/> APPROVAL <input checked="" type="checkbox"/> SIGNATURE <input type="checkbox"/> INFORMATION
SUBJECT: DOD Support for DCI (S)		
REMARKS		
<p>1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [redacted] from DOD. Subsequent meetings and staffing better defined and refined the list. JCS nickname for the project is [redacted]</p> <p>2. (TS) A preliminary cost and readiness impact analysis was accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [redacted]. The most serious readiness impact involves [redacted]. Specific cost and readiness impact data for each item are contained in the enclosure. Initial analysis indicates we can provide the support.</p> <p>3. (S) Two major issues, legal authority and funding, are not yet resolved. The Office of the General Counsel, DOD, has advised* there is now insufficient legal authority for DOD to provide the requested support. However, they anticipate a new Presidential Finding, expected to be issued in September, will provide necessary authority. Although we may continue planning and coordination, the requested support cannot be provided until the new Finding is issued and policy approval is obtained.</p> <p>4. (TS) The funding problem must be attacked separately. We are working with your legal assistant, DOD General Counsel, CIA lawyers and DUSD(P) to find a legal way for DOD to provide this support even if CIA cannot reimburse for it. The initial informal response indicates a legal method can probably be found based on wording in the new Presidential Finding.</p>		
Declassified: [redacted] 1/26/89 under provisions of E.O. 12958 by B. Reger, National Security Council		CLASSIFIED BY Dir [redacted] DECLASSIFY ON OADR <div style="border: 1px solid black; border-radius: 50%; width: 50px; height: 50px; display: flex; align-items: center; justify-content: center; margin: 10px auto;">4474</div>
ACTION OFFICER	COORDINATION/APPROVAL	
	OFFICE	NAME & DATE
	EXTENSION	OFFICE
	NAME & DATE	EXTENSION
DATE OF PREPARATION 24 Aug 83	CLASSIFICATION TOP SECRET	

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5. (S) In the meantime, we need to continue staffing and be ready to implement as soon as the new Presidential Finding is issued. We are continuing to work operational details with [REDACTED] and the Services. We need a formal chop from each of the Service Chiefs to insure we have their support and agreement on a funding plan if DOD has to provide [REDACTED]. The proposed memorandum contains details and our recommendations.

6. (U) Request you sign the attached memorandum informing the Service Chiefs of our proposal and requesting their concurrence and comments.

Reference:

- Under Secretary of Defense memo, 19 Aug 1983, "DoD Support for DCI (S) "

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THE JOINT CHIEFS OF STAFF
WASHINGTON, D.C. 20310

15331



6 September 1983

SAD 380-83

MEMORANDUM FOR: Chief of Staff, US Army
Chief of Naval Operations
Chief of Staff, US Air Force
Commandant of the Marine Corps

Subject: DOD Support for the DCI (S)

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence in improving support to the Nicaraguan resistance forces. The Office of the General Counsel, DOD, ruled that sufficient legal authority for DOD to provide the support does not presently exist. However, they anticipate a new Presidential Finding, scheduled to be issued in mid-September, will provide necessary authority. Nickname for the project is [REDACTED]

2. (S) A summary of specific assistance requested by CIA is enclosed. The Service responsible for action to provide each individual item is indicated. Your staffs have been very responsive and are providing outstanding support.

3. (TS) We do not anticipate any problems concerning the War Powers Resolution. CIA has assured us [REDACTED]

However, as detailed planning is completed, each activity will again be reviewed for compliance with legal requirements on a case by case basis.

4. (TS) Preliminary estimates developed by our combined staffs indicate the support requested by DCI will cost [REDACTED]. Initial costs will have to come from present DOD funds. We will seek reimbursement through appropriate channels but probability for success is questionable. In either case legal funding restrictions will be met.

15 SEP 1983
E.O. 12334
Security Council

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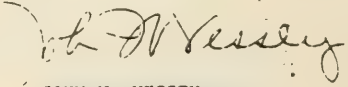
15502

5. (S) To distribute the impact of this unscheduled requirement, request [REDACTED]

[REDACTED] Most of the support will be in FY [REDACTED]. However, my staff will work with yours to take advantage of using FY [REDACTED] or FY [REDACTED] funds as most appropriate in your present situation. We plan to establish a separate account for this project with one Service designated as executive agent. Your funds can then be transferred into this account as need arises throughout FY [REDACTED].

6. (S) I solicit your personal support to be ready to implement actions immediately upon issue of the new Presidential Finding. Request your concurrence and comments by 9 September 1983. OJCS point of contact is [REDACTED]

[REDACTED] Because of the sensitivity of the program, request you work it only in the [REDACTED] and on a strict need-to-know basis.


JOHN W. VESSEY
General, USA
Chairman

Attachment
a/s

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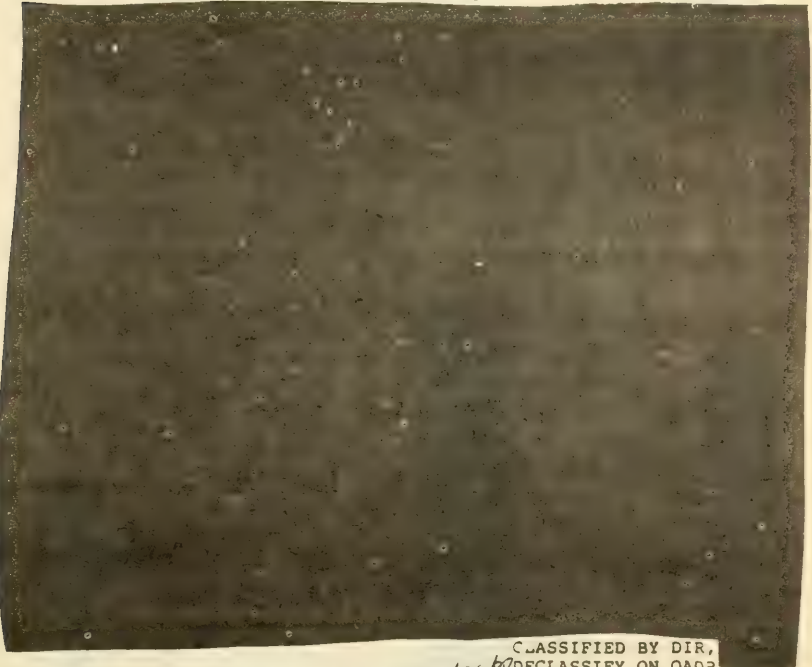
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TOP SECRET**SPECIFIC REQUESTS**

These [redacted] and associated data summarize the status of the DCI request for DOD assistance. They are based on the original request as redefined and refined from inputs and meetings with CIA and Service personnel.

The following guidelines and assumptions were used to evaluate costs, readiness impact and feasibility:



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~~TOP SECRET~~**UNCLASSIFIED**

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4 PAGES

D15334 -- D15337

of Chapter 2, Footnote 50

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Chapter 2
Footnote 51

D 15321

J 15321

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BACKGROUND**UNCLASSIFIED**

- 12 JULY 83 PRESIDENTIAL MEMORANDUM:

"THE DEPARTMENT OF DEFENSE WILL PROVIDE
MAXIMUM POSSIBLE ASSISTANCE TO THE DIRECTOR
OF CENTRAL INTELLIGENCE IN IMPROVING SUPPORT
TO THE NICARAGUAN RESISTANCE FORCES."

- WORKED WITH CIA AND SERVICES TO FURTHER DEFINE AND REFINE NEEDS
- 19 AUGUST 83 DoD GENERAL COUNSEL RULED SUPPORT ILLEGAL
- WILL PROBABLY BE LEGAL WITH NEW PRESIDENTIAL FINDING

-- MID SEPTEMBER

- NICKNAME

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2-51

- BRUNO TO [REDACTED]
- CY OF LAST PAGE
- GIVEN TO [REDACTED]
- ORIGIN CYC [REDACTED]

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2 PAGES

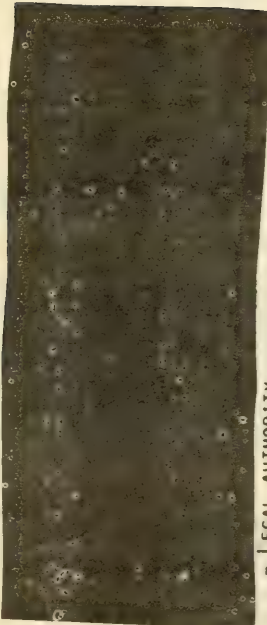
D15322-D15323
OF CHAPTER 2, FOOTNOTE 51

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CURRENT STATUS

- LEGAL AUTHORITY

-- Awaiting NEW PRESIDENTIAL FINDING

- FUNDING

-- MAJOR HURDLE



--- REWORKING DRAFT FINDING

- CUCS AND SecDEF NEED TO BE PREPARED TO DISCUSS AND COMMIT IN ADVANCE

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2-52

2 PAGES

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OF CHAPTER 2.
FOOTNOTE 52

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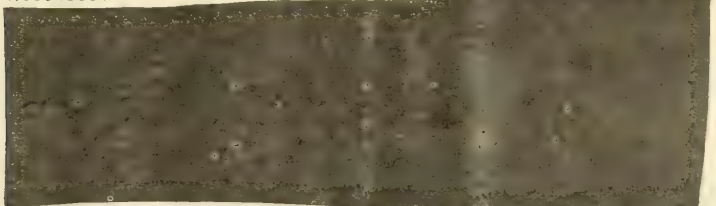
15

MEMORANDUM FOR THE RECORD

15356

Subject: CIA Request for DoD Support (S)

1. (TS) A meeting to better define CIA needs to support Nicaraguan resistance efforts was held. Attendees:



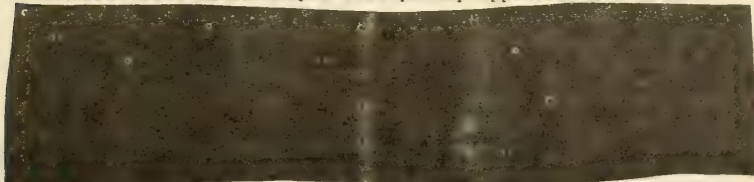
2. (S) Each item of the CIA request was discussed. Current status of each is attached*. Resources are available to support most of this request. However, costs and mission impact must be evaluated for each line item.

3. (S) Additional perceptions and information discussed included.

a. (S) CIA is not sure of what their needs really are. They had to compile this request on very short notice. Consequently, adjustments will be necessary.

b. (S)

c. (S) When asked when they want to get started the CIA answer was [redacted]. A support schedule will be developed when policy approval is obtained.



CLASSIFIED BY Dir [redacted]
DECLASSIFY ON OADR

Declassified/Released on 1/26/87
under provisions of E.O. 12958
by [redacted], National Security Council

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SECRET

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8 PAGES

D15357--D15364
OF CHAPTER 2
FOOTNOTE 52

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2-53

OCS SUMMARY SHEET

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FOR USE BY ORIGINATOR

CJCS

THRU:

FOR USE BY ODJS ONLY

DJSM NO

DJSM DATE

ACTION

X APPROVAL

X SIGNATURE

INFORMATION

DJS

SUBJECT:

DOD Support for DCI (S)

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [redacted] from DOD. Subsequent meetings and staffing better defined and refined this list.

2. (TS) A preliminary cost and readiness impact analysis has been accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [redacted]. Total serious readiness impact involves [redacted]. Specific cost and readiness impact data for each item is contained in the enclosure.

3. (TS) Realizing DOD may not be expediently reimbursed [redacted] to minimize impact on any one Service is to pro rate responsibility for [redacted]. We anticipate being able to procure and schedule requirements so a combination of FY [redacted] and FY [redacted] funds can be used. [redacted]

4. (S) More details involving scheduling, acquisition, training, transfer, funding, and legal issues will have to be worked as we proceed with the program. However, before proceeding any further we need conceptual, policy and funding approval.

5. (U) Request you sign the attached memorandum advising the Services of the DOD tasking and support required from each.

Reference:

* List of Specific Requests

CLASSIFIED BY DIRECTOR [redacted]
DECLASSIFY ON OADR

4482

ACTION OFFICE

COORDINATION/APPROVAL

OFFICE	NAME & DATE	EXTENSION	OFFICE	NAME & DATE	EXTENSION
[redacted]			DUSD (P)		
[redacted]			LL ASST	Comari	[redacted]
[redacted]					
[redacted]					
[redacted]					

DATE OF PREPARATION
28 Jul 83

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COC SUMMARY SHEET

UNCLASSIFIED

FOR USE BY ORIGINATOR

15343

CJCS

THRU:

FOR USE BY ODJS ONLY

DJSM NO

DJSM DATE

ACTION

DJS

X APPROVAL

SUBJECT:

X SIGNATURE

DOD Support for DCI (S)

INFORMATION

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence for improving support to the Nicaraguan resistance forces. [REDACTED] from DOD. Subsequent meetings and staffing better defined and refined this list.

2. (TS) A preliminary cost and readiness impact analysis has been accomplished based on inputs from the Services and Joint Staff. Total cost of DCI requested assistance is [REDACTED]. The only serious readiness impact involves [REDACTED]. Specific cost and readiness impact data for each item is contained in the enclosure.

3. (TS) Realizing DOD may not be reimbursed [REDACTED] continuously. We anticipate being able to procure and schedule requirements so a combination of FY [REDACTED] and FY [REDACTED] funds can be used.

4. (S) More details involving scheduling, acquisition, training, transfer, and funding, will have to be worked as we proceed with the program. However, before proceeding any further we need conceptual, policy and funding approval.

5. (U) Request you sign the attached memorandum advising the Services of the DOD tasking and support required from each.

Reference:

- List of Specific Requests

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DECLASSIFY ON CADR

ACTION OFFICER

COORDINATION/APPROVAL

OFFICE

NAME & DATE

EXTENSION

OFFICE

NAME & DATE

EXTENSION

DATE OF PREPARATION
25 Jul 83

UNCLASSIFIED

JCS FORM 9

VINTAGE EDITIONS OF THIS FORM ARE OBSOLETE

UNCLASSIFIEDTHE JOINT CHIEFS OF STAFF
WASHINGTON, D.C. 20310

Chapter 2, Estimate 53

15544



MEMORANDUM FOR: Chief of Staff, US Army;
Chief of Naval Operations
Chief of Staff, US Air Force
Commandant of the Marine Corps

Subject: DOD Support for the DCI (S)

1. (TS) A 12 July 1983 Presidential Memorandum directed the Department of Defense to provide maximum possible assistance to the Director of Central Intelligence in improving support to the Nicaraguan resistance forces. Initial estimates developed by our combined staffs indicate the support requested by DCI will cost [REDACTED] plus some additional manpower and transportation.

2. (TS) We will seek reimbursement of funds through appropriate channels. However, initial costs will have to come from present DOD funds. To distribute the impact of this unscheduled requirement [REDACTED]

[REDACTED] My staff will work with yours to take advantage of using FY [REDACTED] or FY [REDACTED] funds as most appropriate in your present situation.

3. (S) Policy approval has been obtained from DUSD(P). CIA has assured us [REDACTED]

[REDACTED] As detailed planning is completed, each activity will be reviewed for compliance with legal requirements on a case by case basis.

4. (S) Specific details of the request are enclosed. I solicit your support in moving rapidly to get the initiatives started. Point of contact is [REDACTED]

[REDACTED] Because of the sensitivity of the program, request you work it only in the [REDACTED] and on a strict need-to-know basis.

1/26/88

Attachment
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5 PAGES

D-15345--D15349

OF CHAPTER 2,
FOOTNOTE 53

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2-55 to 57

D 13759

Chapter 2, fn 55, 57

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.9 December 1986

WORKING PAPER
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13760

(U) Background Paper for the Director, [REDACTED]

I. (U) Project [REDACTED]

II. (U) MAJOR POINTS

A. (TS) [REDACTED] was the JCS nickname for DOD assistance to the Director Central Intelligence in improving support to the Nicaraguan Resistance Forces.

- The authority for the program was initially a 12 July 1983 Presidential Memorandum and later a 19 September 1983 Presidential Finding.

- Chronology of key events follows:

--- Support was requested on a non-reimbursable basis.

-- [REDACTED] Program briefed [REDACTED]

-- 19 August 83 OSD General Counsel ruled support as proposed was illegal. Economy Act required reimbursement.

-- 6 September 83 CJCS asked for concurrence and comments from Service Chiefs.

--- Estimated cost for the program was

--- [REDACTED] (FY [REDACTED] or FY [REDACTED] funds).

INTERNAL STAFF PAPER
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-- 19 September 83 Presidential Finding on Nicaragua signed.

-- 22 September 83 DUSD(P) memo to CJCS.

--- Sec Def directed military departments to provide the CIA with the maximum possible support in accordance with law and executive order.

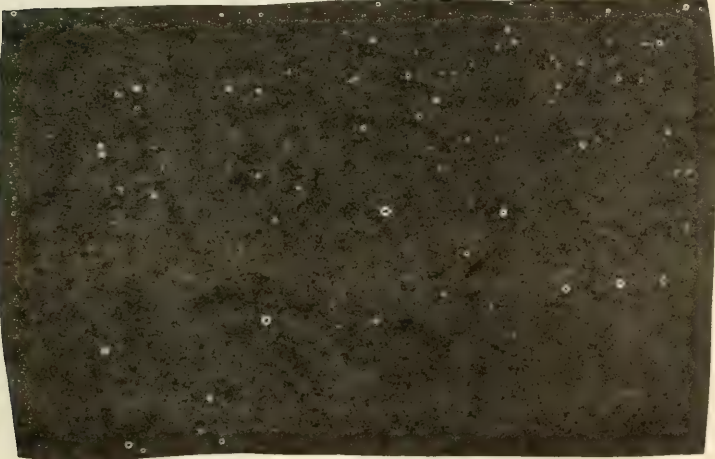
--- CIA will reimburse DOD at the lowest possible rate.

-- 27 September 83 CJCS memo to Service Chiefs.


--- Conveyed guidance from DUSD(P).

--- Provided Services with revised list of support items. (TAB B)

-- 12 October 83 CIA requested adjustments to the list.



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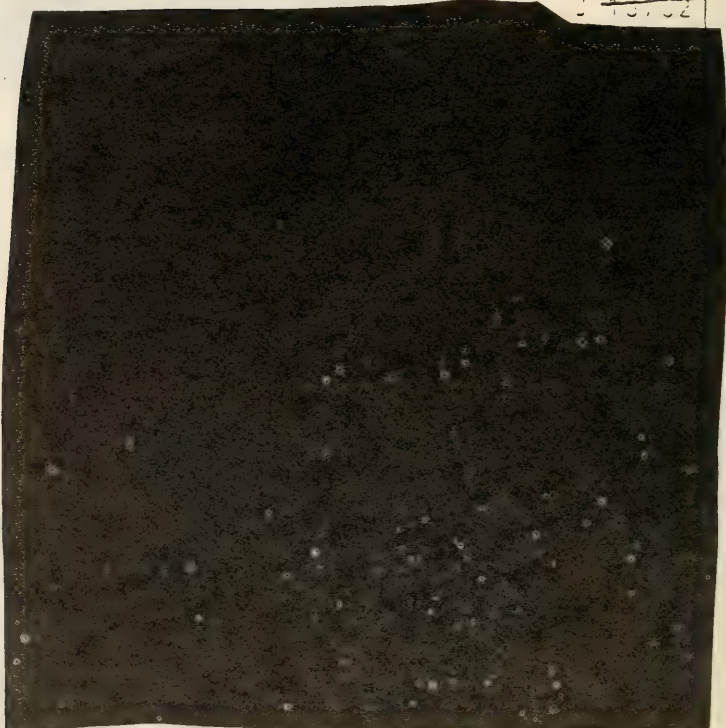
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-- 1 October 84 Boland Amendment cut off all funds of the CIA, DOD or any other US entity for assistance to the Contras.

B



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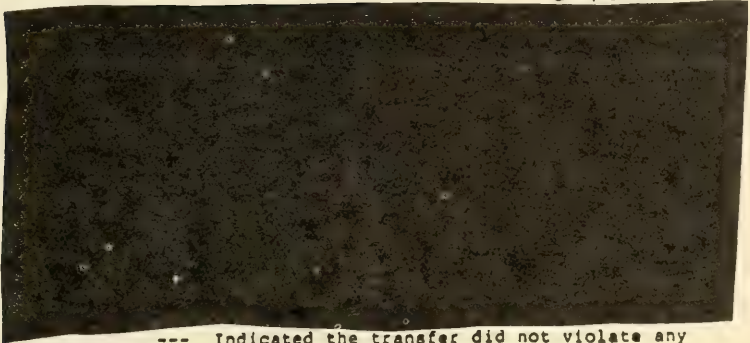
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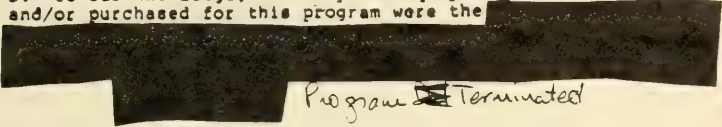
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--- Indicated the transfer did not violate any legal spending limit on covert operations.

D. To our knowledge, the only DOD equipment transferred, and/or purchased for this program were the



Program ~~is~~ Terminated

APPROVED BY

Director

Prepared by:



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OF CHAPTER 2

FOOTNOTE 57

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Chapter 2, Footnote 55

NSC 15C-40061

THE WHITE HOUSE

WASHINGTON

MEETING WITH NATIONAL SECURITY PLANNING GROUP**DATE:** Friday, September 16, 1983**LOCATION:** White House Situation Room**TIME:** 2:00 a.m. - 3:00 p.m.**FROM:** WILLIAM P. CLARK4 43238
2-58

I. **PURPOSE:** To review the new Presidential Finding on Nicaragua with the NSPG prior to soliciting your approval.

II. **BACKGROUND:** The DCI will present a new Nicaragua finding for consideration by the NSPG (Tab A). This new finding has been extensively reviewed by Defense, State, and the NSC Staff and contains their recommendations. Director Casey has informally discussed the finding with Senator Goldwater and other key senators of the SSCI and language desired by the SSCI has been included.

This new finding will replace the current Nicaraguan finding (Tab B) but will not affect our other Central American activities (Tab C). It specifically includes "symmetry" language, which provides for a cut-off of support for resistance force activities only if the Nicaraguans meet three basic criteria:

- Cessation of Soviet/Cuban arms transits through Nicaragua;
- termination of training, command and control, and logistic support for guerrillas in other Central American countries; and
- amnesty and non-discriminatory participation by all Nicaraguans in the political process.

If you approve the finding, either Friday or this weekend, it will be briefed to the SSCI by the DCI and Secretary Shultz in a closed session next Tuesday, September 20, 1983.

The agenda for the meeting is at Tab D and talking points for your use are provided at Tab E.

III. **PARTICIPANTS:** NSPG Members.

IV. **PRESS PLAN:** None.

V. **SEQUENCE OF EVENTS:** See agenda at Tab D.

cc: Vice President Bush
James A. Baker, III
Edwin Meese, III
Michael K. Deaver

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Partial/Declassified by E.O. 12356
by B. Rogers, National Security Council

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NSC/ISC-40089

MEMORANDUM

NATIONAL SECURITY COUNCIL

September 15, 1983

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2-59

MEMORANDUM FOR WILLIAM P. CLARK

W 49255

FROM: KENNETH DeGRAFFENREID *Kd*
OLIVER L. NORTH

SUBJECT: NSPG Meeting on Covert Action in Nicaragua

The President will chair an NSPG meeting tomorrow, Friday, September 16, 1983, from 2:00 p.m. to 3:00 p.m. The meeting is to review the new Nicaraguan Finding prior to submission to the President for approval.

The proposed Finding (Tab A) replaces the current Finding of December 1, 1981 (Tab B) and addresses only activities affecting Nicaragua; not other Central American actions contained in the Central American Finding of March 1981 (Tab C). The proposed Finding has been thoroughly scrubbed by State, DOD, and NSC. Walt Raymond and Al Sapia-Bosch have provided input designed to improve its chances for Congressional support.

The Finding specifically addresses the parameters for our support to the Nicaraguan resistance forces and contains "symmetry" language providing for a termination of support only if the Nicaraguan Government meets certain specific criteria:

- Cessation of Soviet/Cuban arms transits through Nicaragua;
- termination of training, command and control, and logistic support for guerrillas in other Central American countries; and
- amnesty and non-discriminatory participation by all Nicaraguans in the political process.

Because of specific Congressional constraints on DOD resources, DOD and CIA lawyers removed language pertaining to support provided by DOD to CIA. They agree that this will in no way impair DOD's ability to provide reimbursable items to the CIA. Justice Department staff is aware of these changes.

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(4481)

Study Declassify, Case 30-43483
 under provision of E.O. 12958
 by B. Roger National Security Council

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N 49256

Following his Hill consultation, the DCI late today circulated revised language to the first page of the Finding. Because this occurred less than 48 hours before the meeting, NSPG members could complain on procedural grounds that they have not had sufficient time to study the new language.

We concur with most of the fixes, but have serious difficulty with one key proposed adjustment. The point at issue is over the objective. We are working on more suitable language, which will follow in a separate memorandum.

Chris Lehman, Walt Raymond, Al Sapia-Bosch, and Paul Thompson concur.

Recommendation

That you initial the briefing paper to the President at Tab I.

Approve _____

Disapprove _____

Attachments

Tab I Judge Clark Briefing Paper to the President
 Tab A - Proposed New Nicaraguan Finding
 Tab B - Current Finding dtd December 1, 1981
 Tab C - Central America Finding dtd March 1981
 Tab D - Agenda for NSPG Meeting, September 16, 1983
 Tab E - Talking Points for NSPG Meeting
 Tab II NSPG Meeting Participants

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CHAPTER 2

FOOTNOTES 60+63

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[REDACTED]
THE NICARAGUA FINDING

N 6783

The Finding replaces the 1 December 1981 Finding
[REDACTED]

This Finding authorizes the provision of material support and guidance to Nicaraguan resistance groups; its goal is to induce the Sandinista government in Nicaragua to enter into meaningful negotiations with its neighboring nations; and to induce the Sandinistas and the Cubans and their allies to cease their provision of arms, training, command and control facilities and sanctuary to regional insurgencies.

[REDACTED]

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Footnote 64
N 6700

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Finding Pursuant to Section 662 of
The Foreign Assistance Act of 1961
As Amended, Concerning Operations
Undertaken by the Central Intelligence
Agency in Foreign Countries, Other than
Those Intended Solely for the Purpose
of Intelligence Collection

2-64

I hereby find that the following activities are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this finding to the Intelligence Committees of the Congress pursuant to Section 501 of the National Security Act of 1947, as amended, and to provide such briefings as necessary.

SCOPE

NICARAGUA

PURPOSE

[REDACTED] provide support, equipment and training assistance to Nicaraguan paramilitary resistance groups [REDACTED]

Partially Declassified/Released on 22 June 1987
 under provisions of E.O. 12356
 by B. Reger, National Security Council

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N 6782

The Director of Central Intelligence is directed to ensure that this program is continuously reviewed to assure that its objectives are being met and its restrictions adhered to.

The White House
Washington, D.C.

Ronald Reagan

Date: September 19, 1983

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CHAPTER 2

FOOTNOTE 66

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	Name and Address	D	Initials
1	<i>de Guffmied</i>	<i>9/28</i>	
2	<i>John Doe</i>	<i>9/28</i>	
3	<i>Thompson</i>	<i>9/28</i>	
4	<i>Anna</i>	<i>9/28</i>	
5	<i>Smith</i>	<i>9/28</i>	
6			

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<input type="checkbox"/> CONCURRENCE	RECOMMENDATION
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<input type="checkbox"/> DISPATCH	SIGNATURE

REMARKS
*Please coordinate with
 John de Guffmied*

Chapter 2, Excerpt 627
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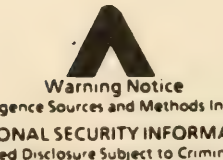
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The Director of Central Intelligence ~~WEC/IC~~ CONTROL NO. 400696
 Washington D C 20505

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N 6787

27 September 1983

MEMORANDUM FOR: ✓ Assistant to the President for
 National Security Affairs
 Deputy Secretary of State
 Under Secretary of Defense for Policy
 Vice Admiral Arthur S. Moreau, Jr.,
 Assistant to the Chairman, Joint Chiefs of Staff

SUBJECT: Letter from Senator Barry Goldwater Regarding
 the Central America Finding

I think this letter from Goldwater deserves an answer. Clearly, members of the Committee talked to the press after the hearing on this finding. We know that the press knew the outcome within one-half hour after the hearing was closed and that during the hearing a member of the Committee predicted that it would. What is troublesome is an Administration official explaining "the program as outlined by Mr. Casey and Mr. Shultz." Later on, the same or another Administration official is said to have stressed that "this should end the argument over whether the Administration was violating its pledge by doing more than just stopping the arms flow," etc. This has all the earmarks of a briefing by an Administration official. If we know of any such briefing, authorized or unauthorized, it should be reported to Goldwater, or if we know of no such authorized briefing and have no idea of where the alleged Administration statement came from, we should tell him in our response.

I would appreciate your help on this.

William J. Casey

Attachment

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JOSEPH E. BOWEN, STAFF DIRECTOR
SAFETY J. SCHWARTZ, SECURITY STAFF DIRECTOR

United States Senate
SELECT COMMITTEE ON INTELLIGENCE
WASHINGTON, D.C. 20510

Rev 26 504
83-47447

September 22, 1983

N 6788

The Honorable William J. Casey
Director of Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bill:

You will recall that during the hearing the other day I asked if we could downgrade the classification of the new Presidential Finding which we were discussing.

It was not done and yet The New York Times published a story on the thing today. Remember, Bill, the long talk we had about the Department of State leaking Top Secret material? Now when The New York Times can publish something marked Secret, something has to be done.

I don't care who did it, but we should find out. This has gone too far.

Frankly, I think it was too highly classified to begin with, but it did have that classification and I want to hear from your office where that leak came from. I am getting fed up with leaks out of the White House, your own Agency, or wherever.

Sincerely,

Barry Goldwater
Barry Goldwater
Chairman

Enclosure

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More Aid to Nicaraguan Rebels Backed

(Special to The New York Times)

WASHINGTON, Sept. 28—The Reagan Administration told the Senate Intelligence Committee today that it planned to continue covert military aid to the Nicaraguan insurgents until the Sandinista Government stopped giving military support to the rebels in El Salvador, according to participants in the meeting.

William J. Casey, Director of Central Intelligence, and Secretary of State George P. Shultz met for several hours behind closed doors with the committee, which is headed by Senator Barry Goldwater, Republican of Arizona. Senator Goldwater had requested a report on plans for the fiscal year that begins on Oct. 1.

The Administration is obliged to report to the Intelligence committees of both houses on the goals and objectives of any covert activity. The committee had declared in May that it would cut off the aid in the absence of a new report by Sept. 30.

Most of the committee members were reportedly satisfied by the limited nature of the Nicaraguan program. Some had been concerned because Mr. Casey had reportedly suggested before the Congressional recess last month that the Administration might decide to back the Nicaraguan "contras," as the insurgents are known, with the aim of overthrowing the Managua Government, which is supported by Cuba and other Communist states.

'Very Impressed With Shultz'

"The members were very impressed with Shultz," one participant said. "They thought the plan was much more sensible than in the past. It looked as if it had some coherence and practicality."

President Reagan had said publicly that the United States had no intention of overthrowing the Sandinista Government. Administration officials had said that the \$19 million which had been appropriated in the current fiscal year for covert aid was only meant to prevent arms from Nicaraguan ships going to the insurgents in El Salvador.

An Administration official said that the program outlined by Mr. Casey and Mr. Shultz went beyond the scope of the current program. He said it was not limited to interdicting arms, but was more broadly stated in general support of the Nicaraguan rebels. "We were always being questioned," an official said, "on whether we were going beyond our program of interdicting arms. Now we say, 'Yes, we are supporting the rebels until the Nicaraguans stop their subversion in neighboring countries.'"

"It was a very positive statement," the official said, adding that "I wished the press would have been able to hear

Honduras and Costa Rica Included

One participant said that the covert aid was to be used, not only until the Sandinistas stopped supporting insurgents in El Salvador, but in Honduras and Costa Rica as well.

The Administration official stressed that this approach should end the argument over whether the Administration was violating its pledge by doing more than just stopping the arms flow. The official also said that there was no thought of the Administration backing the insurgents in trying to overthrow the Sandinista Government.

The House earlier this year passed a bill cutting off all covert aid to the Nicaraguan insurgents for the 1983 fiscal year, but it stood little chance of passage by the Senate. In the absence of action by both houses to cut off the aid, it continued. Today's committee meeting seemed to clear the way for Senate approval for the 1984 fiscal year, which begins Oct. 1. The House will have to decide whether it wants to vote again to cut off covert aid in the next fiscal year.

The Senate Intelligence Committee has generally been supportive of the

Administration's actions in Central America. The chief critic of the Administration on the committee is Senator Joseph R. Biden, Democrat of Delaware.

According to participants in the ses-

sion, the Administration witnesses presented a formal finding by President Reagan that it would be in the national security interest to continue a paramilitary program directed against the Sandinistas.

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Chapter 2, Footnotes 72, 73 and 74a

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E. Sustaining regional economies. The remedies outlined above are more likely to succeed if some measure of economic stability and growth can be returned to Central America. The region continues to suffer from the ill effects of low commodity prices, low productivity and massive disinvestment caused by regional tension and conflict. The economies of the region have been unable to capitalize so far on the U.S. recovery. In the near term a substantial infusion of economic assistance is needed. Our ability to obtain this funding will be affected by the Kissinger Commission and the timing of its report. We are consulting with the Kissinger Commission to prepare a supplemental assistance effort for FY-84 which would neither preempt the Commission nor allow the short term situation to deteriorate further.

ACTION PLAN**UNCLASSIFIED**

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CHAPTER 2, FOOTNOTES 72, 73 AND 74a

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United States Department of State

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 Washington, D.C. 20520

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December 20, 1983

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(When for Secret attachment)

 MEMORANDUM FOR ROBERT C. McFARLANE
 THE WHITE HOUSE

SUBJECT: Next Steps in Central America

In response to your request of November 21 for an in-depth review of our current policy for Central America, an interagency task force has prepared the attached status report and action plan for the consideration of the National Security Policy Group.

Charles Hill

 Charles Hill
 Executive Secretary

Attachment:

Where Next in Central America

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(When for Secret attachment)

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WHERE NEXT IN CENTRAL AMERICA

We have made substantial gains in Central America in the past three years. Cuban/Soviet-supported destabilization has been blunted. We have shown that, with our help, the rest of Central America need not go the way of Nicaragua. Nicaragua is increasingly isolated and, as a result, is attempting to appear more reasonable and/or to signal a desire to reach some form of accommodation. Democracy remains strong in Costa Rica and has taken a firm hold in Honduras. Important steps to achieve it have been taken in El Salvador. We have doubled economic aid while the CBI and anticipated Kissinger Commission recommendations lay the cornerstone for dealing with the region's massive economic problems over the longer term. Our military efforts have strengthened the resolve of Honduras, contributed to improved performance of the Salvadoran armed forces and increasingly placed the Sandinista government on the defensive. In short, the overall strategy is in place.

Despite these successes, we have reached a plateau in our policy. New initiatives and decisive and effective action are needed so that current opportunities will not be lost and necessary cooperation and support can be obtained from friendly governments and our own Congress. Specifically, this will require coming to terms with the following:

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United States Department of State

Washington, D.C. 20520

August 23, 1983

N 6883

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MEMORANDUM FOR:

CIA - Mr. Thomas Cormack
 NSC - Mr. Robert Kimmitt
 WH - Mr. Kenneth M. Duberstein
 DOD - Col. John Stanford
 JCS - LTC. Dennis Stanley

2-74

Subject:

Legislation on Nicaragua

Mr. Dam, as Chairman of the SIG, has called a meeting of the Special Interagency Working Group August 26 at 2:30 p.m. to consider the Administration's strategy toward legislative efforts to prohibit or restrict covert assistance to Nicaragua. The attached memorandum outlines the present legislative situation and various scenarios we may face. Ambassador Motley will chair a preliminary meeting on this subject on August 24 to which your representatives have been invited.

The SIG Special Interagency Working Group will be responsible for ensuring the development of a plan of action for meeting the various legislative contingencies, coordinating the Administration's position on this issue and monitoring the situation as it evolves.

Thomas H. Hill
 for Charles Hill
 Executive Secretary

Attachment:

Memorandum

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DEPARTMENT OF STATE

Washington, D.C. 20520

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N 6884

August 19, 1983

MEMORANDUM FOR MR. WILLIAM P. CLARK
THE WHITE HOUSE

SUBJECT: Interagency Coordination on Legislation to Prohibit
Covert Assistance to Nicaragua

This memorandum describes the numerous ways in which restrictive legislative proposals, seeking to deny authority of funds for U.S. support of anti-Sandinista paramilitary groups, are likely to be raised when the Congress reconvenes in September. It also outlines the procedure that has been developed by a State-chaired Interagency Group for opposing harmful legislation.

The present legislative situation is very unsettled, presenting numerous opportunities for maneuvers designed to constrain the Administration's authority to conduct or support covert operations. Relevant Congressional actions include the following:

1. Separate Legislation

The Boland-Zablocki bill (H.R. 2760) was passed by the House on July 28. This bill would effectively prohibit covert assistance to the anti-Sandinistas for the remainder of FY 1984 and all of FY 1984. Senate consideration of this bill has been deferred, but the situation must be monitored closely.

2. FY 1984 Intelligence Authorization Bill

The House bill (H.R. 2968), as reported, contains a prohibition on the use of FY 1984 funds for the Nicaragua program. The Senate bill (S. 1230), as reported, contains no comparable limitation. However, the classified report of the Senate Intelligence Committee calls for a new Presidential finding which must be approved by the Committee. (The Committee approval procedure is not legally binding, especially in light of the Supreme Court's decision on legislative vetoes)

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N 6885

In the House, an effort will probably be made to add the Boland-Zablocki language to the intelligence authorization bill. Depending on the rule that is adopted, there could be another general debate on covert assistance. However, the prospects are not good for obtaining a reversal in the House of the recorded vote on H.R. 2760.

There is also a possibility that the Boland-Zablocki language will be offered in the Senate as an amendment to the FY 1984 intelligence authorization bill. We should be able to defeat such a Senate amendment, but the vote will be close.

Whatever passes the House and the Senate on the FY 1984 intelligence authorization will have to be sorted out in conference

3. FY 1984 Appropriations

We may also face difficulty in the House when it deals with the intelligence portion of the FY 1984 Defense appropriation bill. (Congressman Boland serves on the Appropriations Committee and could introduce Boland-Zablocki or other restrictive language in the markup of that bill.)

Perhaps most important, we will face the possibility of inclusion of Boland-Zablocki restrictive language in the FY 1984 continuing resolution. As in the case of the Defense appropriation bill, the House Appropriations Committee will have initial jurisdiction over the continuing resolution.

4. Other Considerations

Meanwhile, negotiations continue on possible compromise formulations with moderates in the Congress. The latest proposal (from Zablocki) does not meet all the Administration's concerns but is far preferable to Boland-Zablocki.

A decision will be needed soon on whether to interject into this already complicated situation a new Presidential finding on the Nicaraguan program. Such a finding would be required no later than September 30 under the terms of the Senate Intelligence Committee report on the FY 1984 authorization bill. There is some concern that the new finding could undermine our legislative strategy if not carefully worded and timed.

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- 3 -

N 6886

It should also be noted that in the months ahead Congress will deal with a number of other issues affecting Administration policies and programs and that these issues will become interrelated in the legislative process. This necessitates close coordination within the Executive Branch among all officials concerned with the affected policies and programs and with legislative strategy.

Procedure

It is imperative that the Administration deal with this complex Congressional situation, in all its permutations, in an effective and coordinated manner if we are to avoid the loss of an essential tool for achieving our policy objectives in Central America. Accordingly, a Special Interagency Working Group has been established under the chairmanship of the Deputy Secretary of State, in his capacity as SIG chairman, to coordinate strategy for dealing with the Congress on these matters. CIA, DOD, and the NSC staff have agreed to provide representatives. Regular liaison will be maintained with the Assistant to the President for Legislative Affairs.

Charles Hill

Charles Hill
Executive Secretary

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THE WHITE HOUSE
WASHINGTON2-74a+75
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Via resident 7:
SYSTEM IV
NSC/ID-46889

14258

MEETING WITH THE NATIONAL SECURITY PLANNING GROUP

DATE: Friday, January 6, 1984
 LOCATION: White House Situation Room
 TIME: 1:30 - 2:30 p.m.
 FROM: Robert C. McFarlane, Jr.

I. PURPOSE: To review Interagency recommendations on Central America and make decisions for our strategy in 1984.

II. BACKGROUND: Our last NSC level meeting on the Central American situation was on September 23, 1983. In late November, we requested a review of our Central America strategy and asked for Interagency recommendations for actions that will carry us through 1984. The result is the Central America strategy paper attached at Tab I.

The document at Tab I was prepared by the Restricted Interagency Group and reviewed and approved by Ken Dam's Foreign Policy SIG (SIG/FP). It provides detailed actions to improve our chances for success in the region which are compatible with the broader recommendations of the National Bipartisan Commission on Central America (NBCCA). Although the Commission will not present its final report to you until Wednesday, January 11, 1984, we need to move early next week on key resource issues which must be forwarded with your FY-85 budget submission. An agenda for the meeting is attached at Tab II and proposed talking points are at Tab III.

The major elements of the strategy paper at Tab I include recommendations on overall goals, resources, diplomatic strategy, covert operations, military activities, and legislative/public affairs. Briefly summarized, the SIG is in agreement with:

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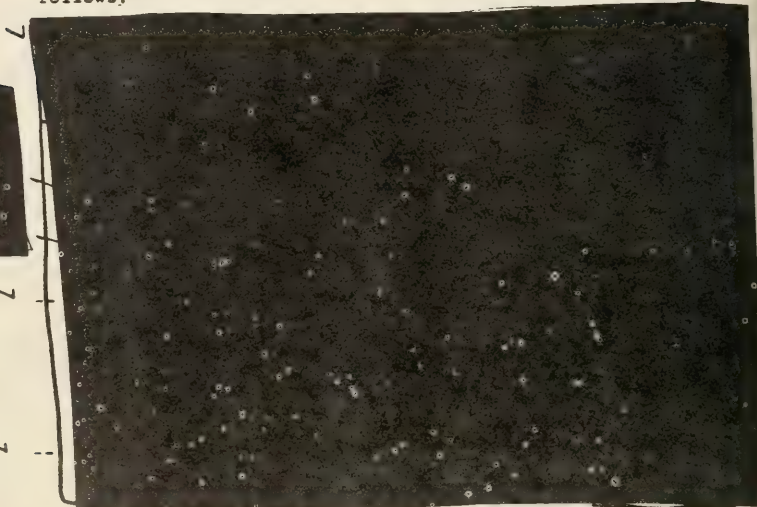
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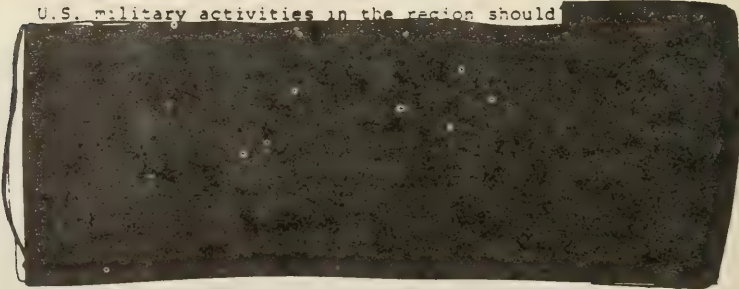
- Our diplomatic strategy in the region should proceed as follows;



- Our covert action program should proceed



- U.S. military activities in the region should



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- Public diplomacy and legislative strategy: State now has ONLY one person available to work Latin American issues with the Congress. Further, too few resources are available for international persuasion on these issues. The Soviet Bloc/ Cuban and Communist guerrilla propaganda apparatus is large and is working hard to bring about a cutoff of all outside aid to the target countries in Central America. There is an urgent need to authorize staff positions and about for the State Department in order to permit us to achieve results on the Hill and present our Central American policy more effectively.

The agenda at Tab II is designed to allow discussion of each of these critical issues. Your talking points at Tab III are structured to emphasize those areas which are most important to the implementation of a winning strategy. The NSPG principals need your direction on these issues.

III. PARTICIPANTS:

The National Security Planning Group
 Director Stockman
 Oliver North
 Constantine Menges

IV. PRESS PLAN: None

V. SEQUENCE OF EVENTS: See agenda at Tab III

Attachments

Tab I - Strategy Paper, w/Tabs A thru O
 Tab II - Agenda
 Tab III - Talking Points

Prepared by:
 Oliver North
 Constantine Menges

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ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Attack on Guerrilla Command and Control Centers in
Nicaragua

At dusk on February 2, five Cessna 0-2 aircraft armed with 2.75 inch rockets attacked the ERP command and control center, training camp, and logistics facilities at Volcan Casita (see Point A on map).

At dawn the following morning (February 3), [redacted] attacked the FSLN communications and naval arms depot at Aposeutillo. As in the raid the previous night, there were secondary explosions and minimal return fire. None of the aircraft were damaged.

Since the two attacks, radio Managua has claimed that three EPS soldiers were killed by A-37 aircraft attacking from Honduras, and that a "Ministry of Agriculture radio antenna was damaged." [redacted] confirms that radio Veneremos (the propaganda voice of the FMLN) is off the air. [redacted]

Significantly the GRN, which has been down playing CONTRA activity in recent weeks, has protested loudly over these attacks. Newspaper accounts in Managua today have variously accused ARDE, FDN, the U.S., and Honduras for the attack.

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As a related issue, we made a conscious decision not to invite the Nicaraguan ambassador to today's ceremony in the East Room. The State Department or OPL did, however, invite Adolfo Colero, the political head of the FDN Colero. This may come to light publicly and we have asked State to provide some press guidance in the event the media here noticed. Colero has already been interviewed by several members of the Latin press.

RECOMMENDATION

That you brief the President using the points above.

Approve ☒Disapprove ☐

cc: Constantine Menges

Attachment
Tab A - Subject Map

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See Hearing Exhibit OLN-177

2-82

See Hearing Exhibit DRC-23

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EXHIBIT Chapter 2, Footnote 83
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EXHIBIT

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Chapter 2, Form 512

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Dear Rob Owen:

Just a note to let you know we are all alive and well and working.

I wonder what B.Gs outlook will be with Clark out and Mc. Farlane the new chief. Hopefully B.G. will be more powerful as we need more like him.

Also if you are talking to Kirkpatrick's aid pass the word that there are alot of little people like myself, lost in the boondocks that think she is one of the best and we don't give a damn what Schultz, the press or anyone else think hang in there and hang tough.

It's too bad you are not here at the moment. I'm on the north porch and there is a great bright rainbow in the sky with a nice tropical breeze. Birds are all over the place, fish jumping in the river and the sound of laughter of the children playing soccer sets the whole thing off. Don't you think I should start looking for a Costa Rican bride to put hybrid vigor into the Owens clan?

Last week we had a 24 hours meeting here with the hero, Robelo and the chiefs of the Indians from the North plus their sub chiefs, body guards etc, over 20 in all. Margarita and the maid had a 24 hour cookathon and from her I was able to know the opinions of all the different factions and still stay completely out of the deal. It was pretty obvious from the start that it was doomed to failure as the hero is too proud, and too stubborn to agree to unite and fight with the F.D.N.

I understand some might join with Roger, reorganize and combine forces, I hope.

The last two weeks I have spent a lot of time over on the Pacific fixing an old cabin cruiser boat we are putting in a diesel motor.

The large land owners there are organizing into vigilante bands and we were able to cache about thirty rifles and several thousand rounds of ammo at various farms. Also located several places that ranchers are now fixing that can be used as clandestine airports if needed in the future.

Here in San Carlos we have permission to set up and arm a 200 man civil defense unit and a couple of weeks ago I went with the 100

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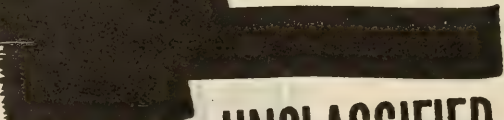
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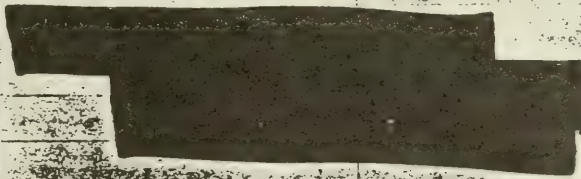
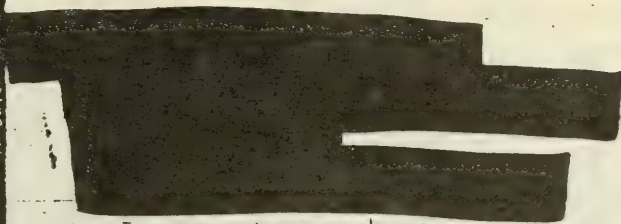
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- Thanks to SCS Rep

- Review Situation

- Conduct Further Assessment

- Introduction of New Paper

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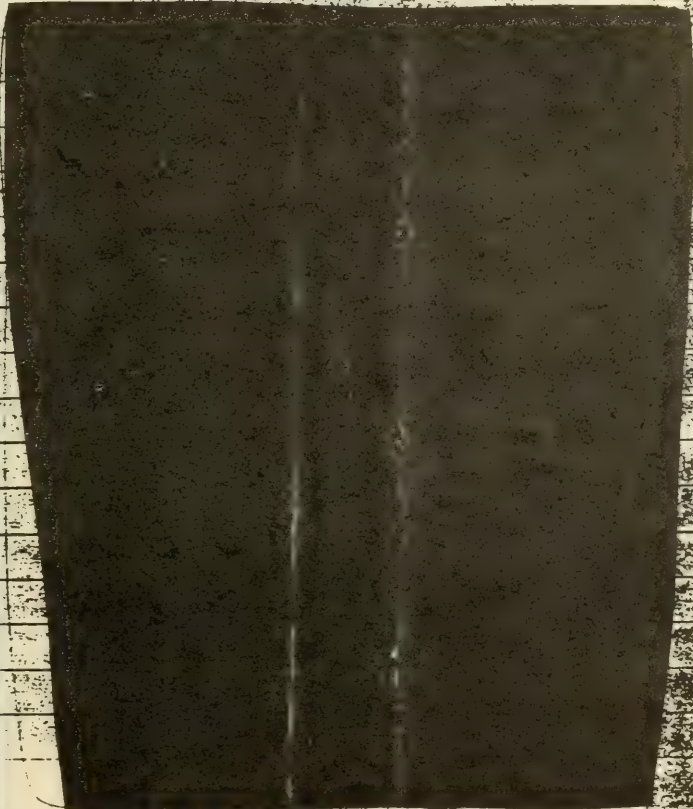


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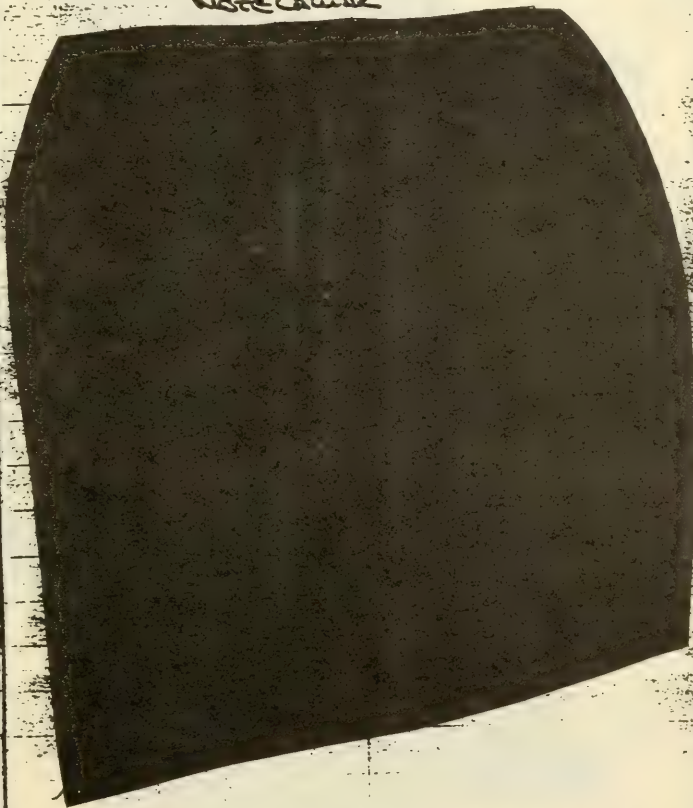
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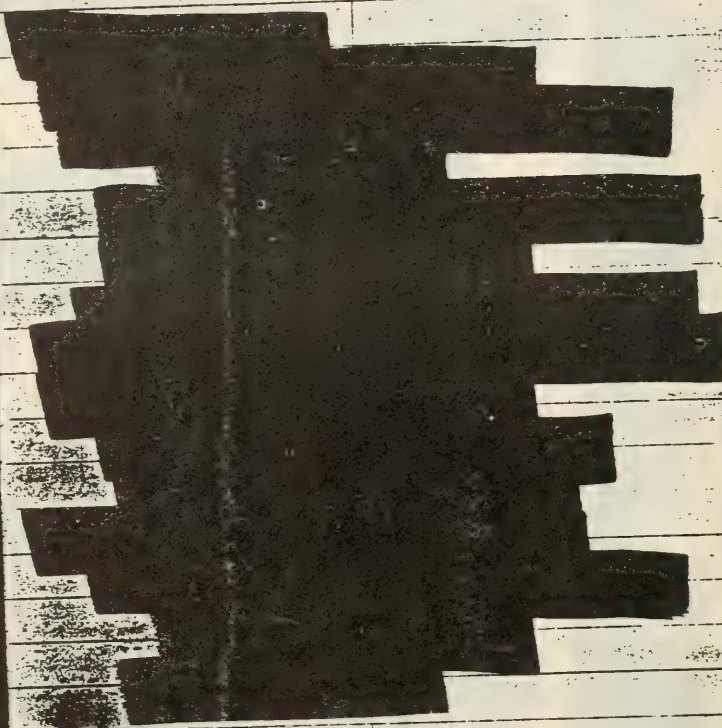
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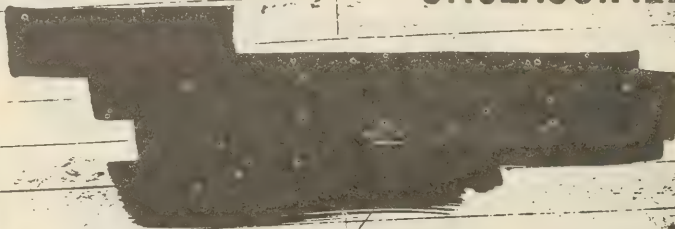
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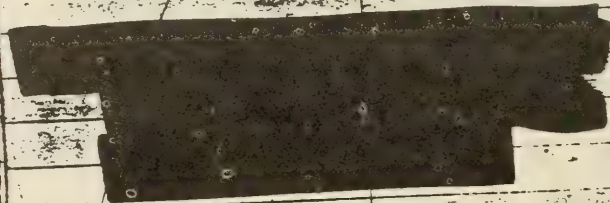
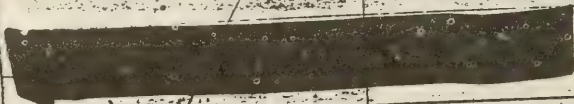
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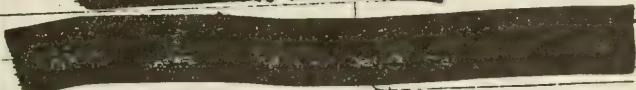
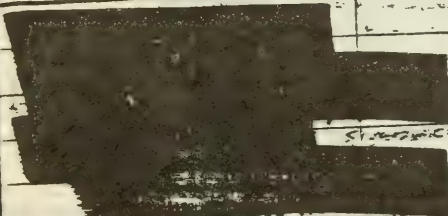
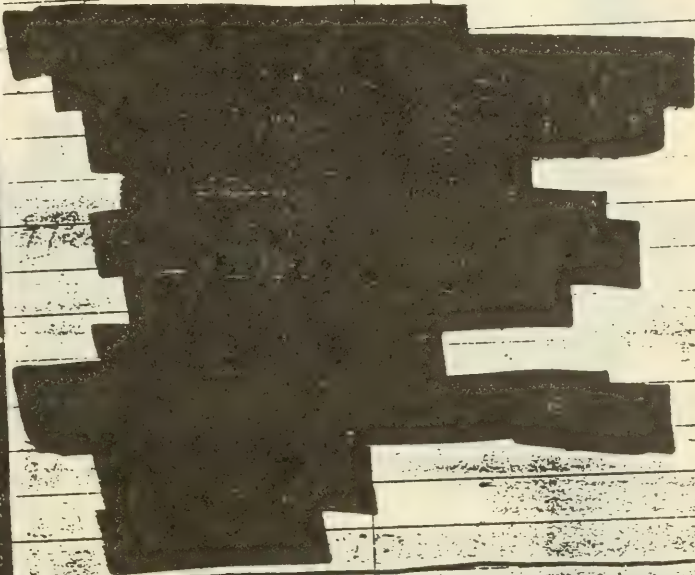


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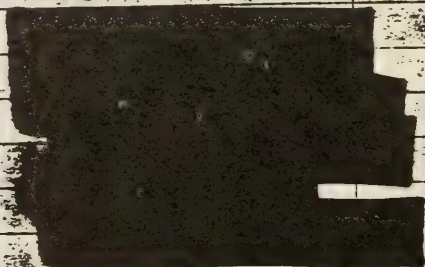
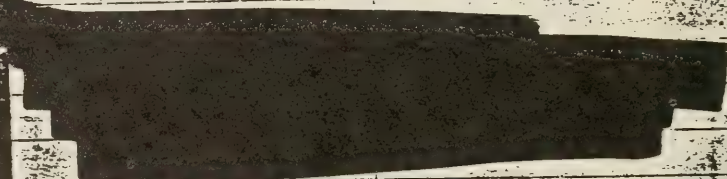
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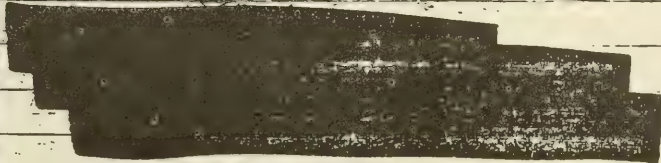
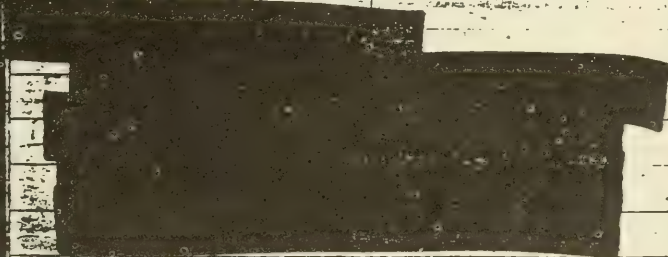
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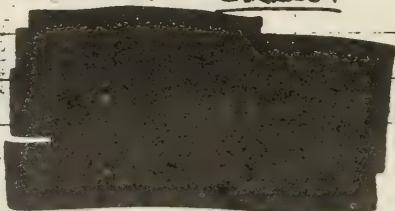
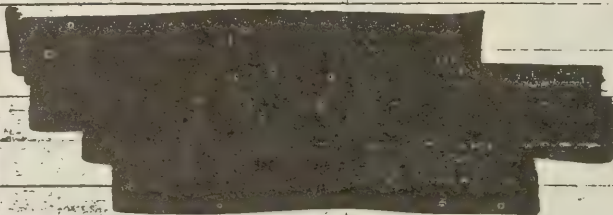
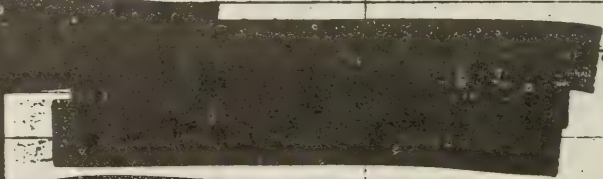
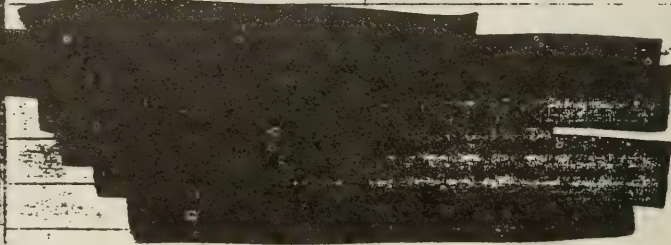
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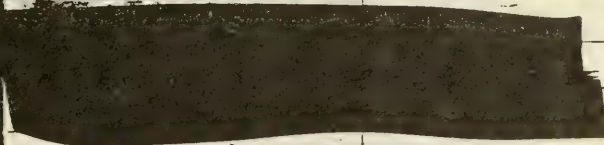
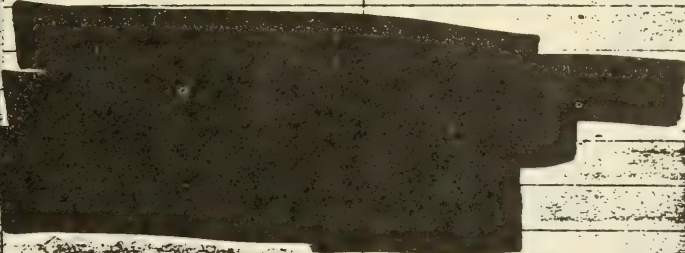
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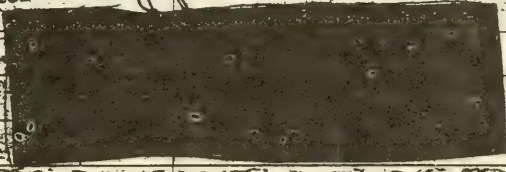
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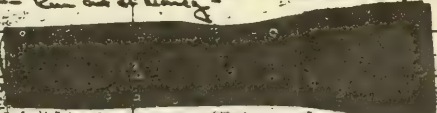
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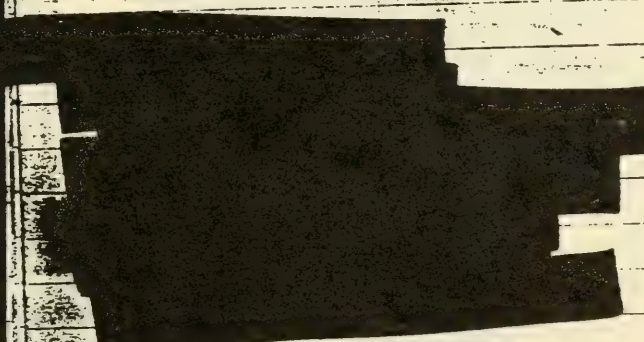
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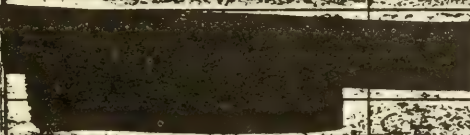
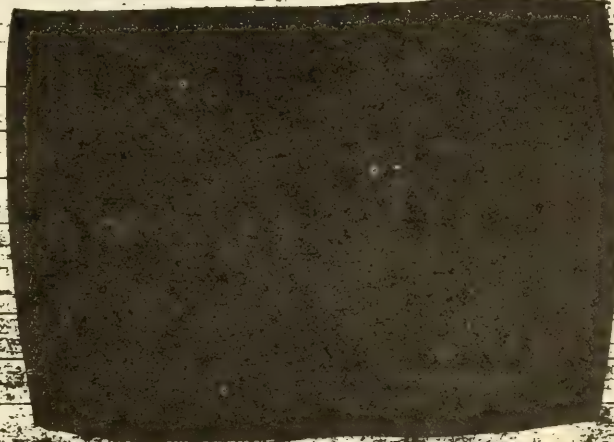
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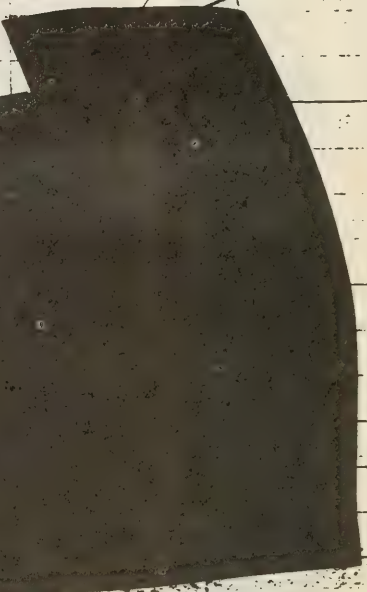
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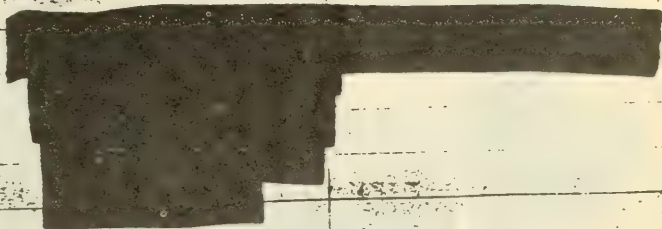
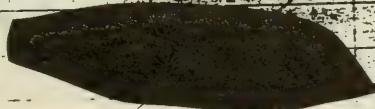
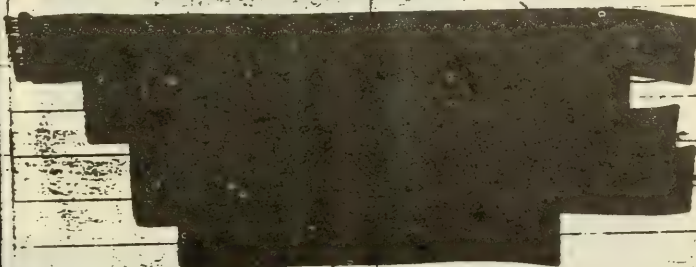
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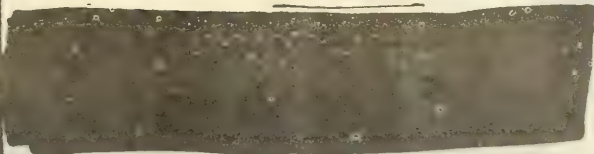
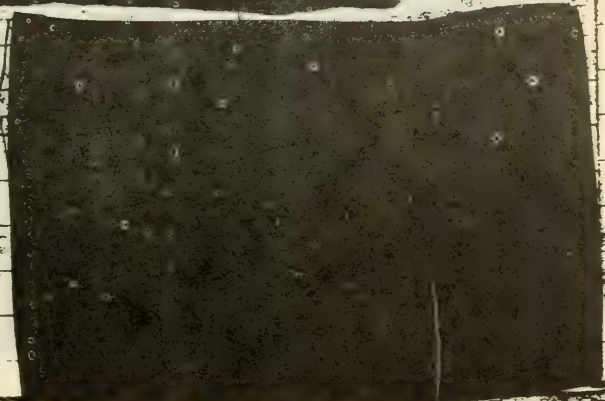
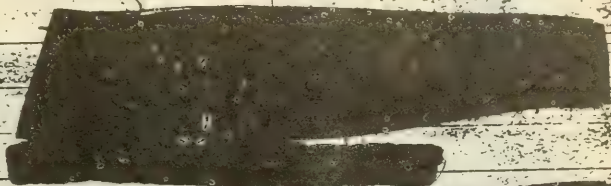


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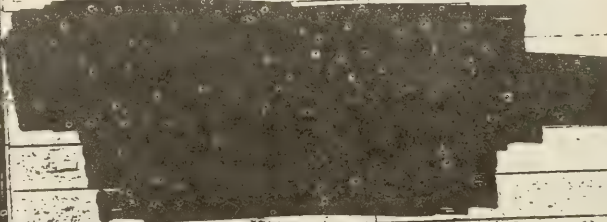
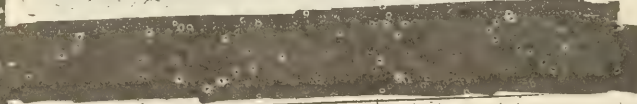
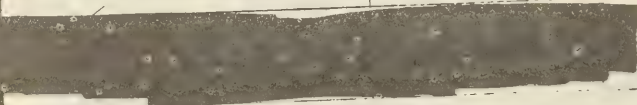
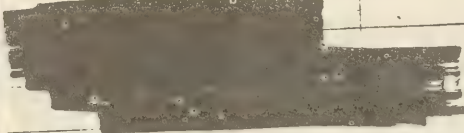
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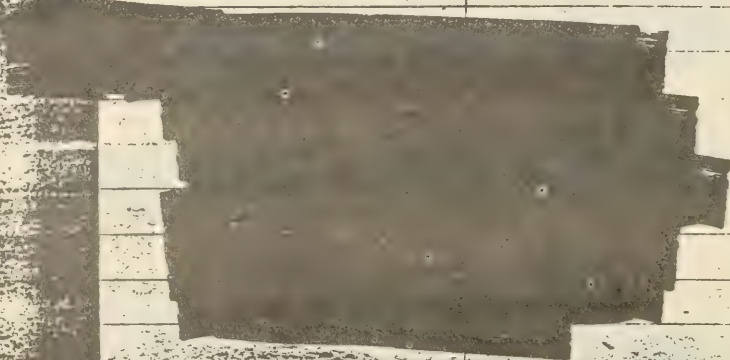
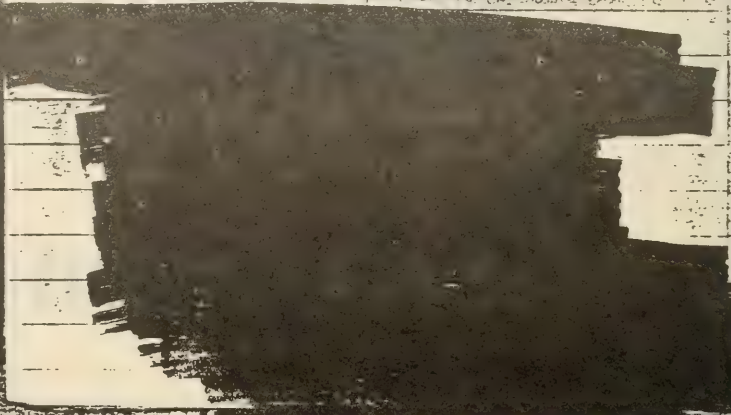
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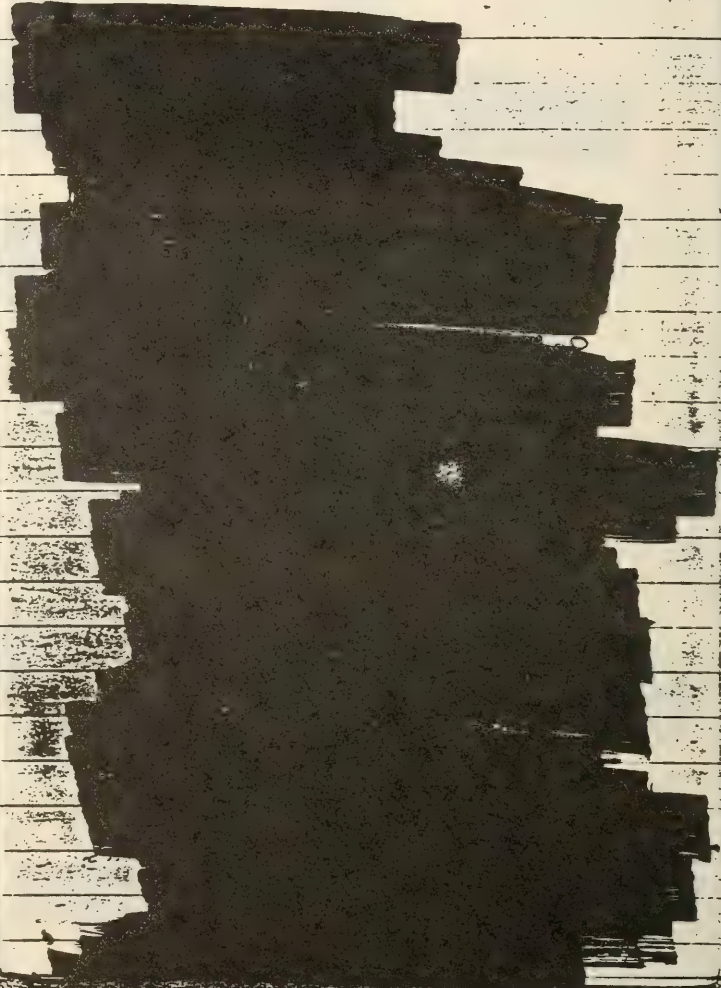
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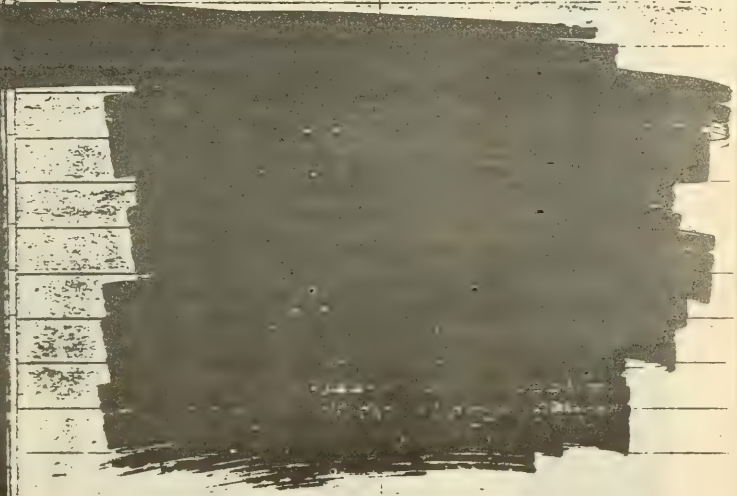
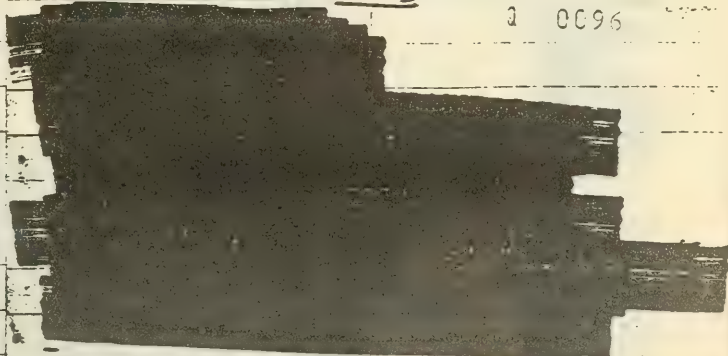


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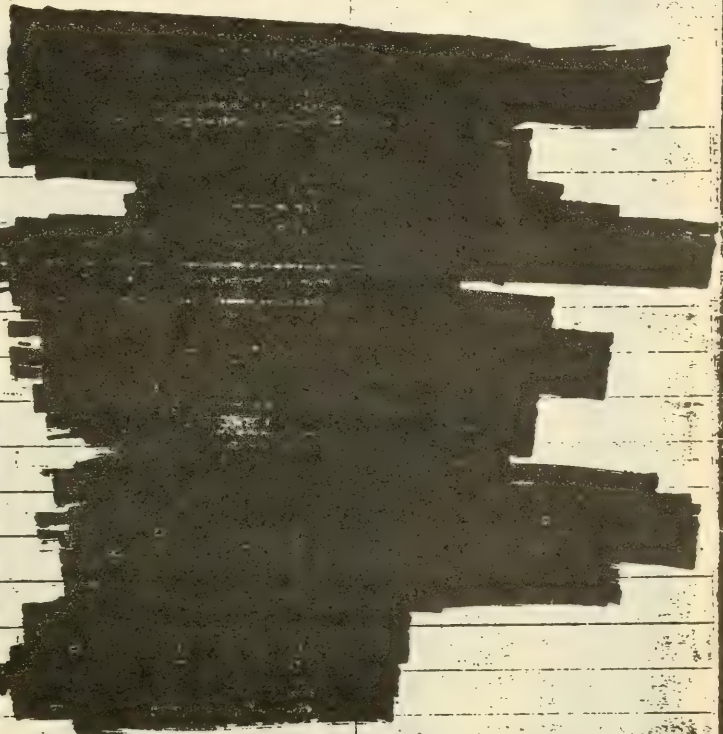
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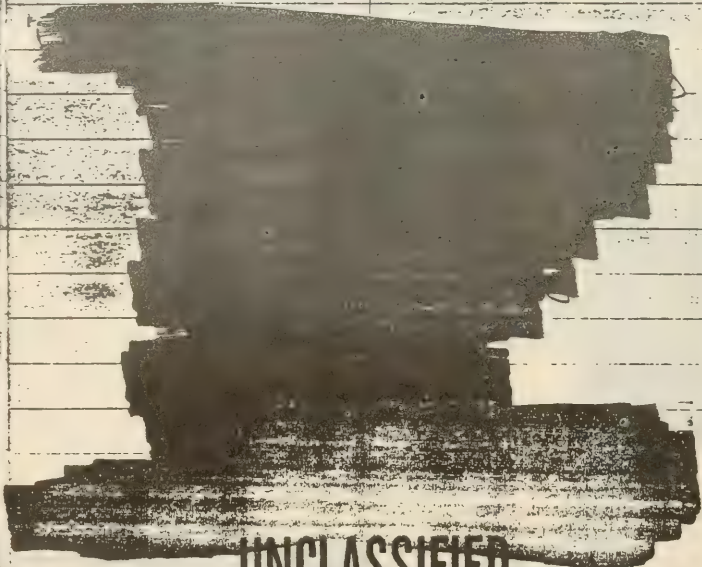
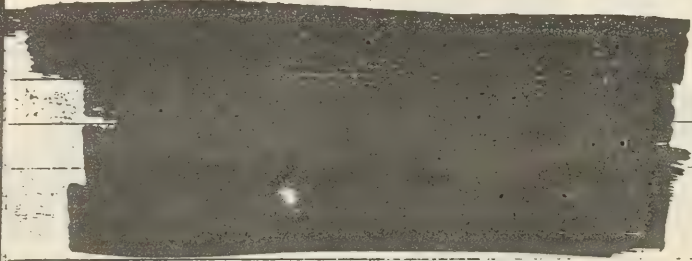
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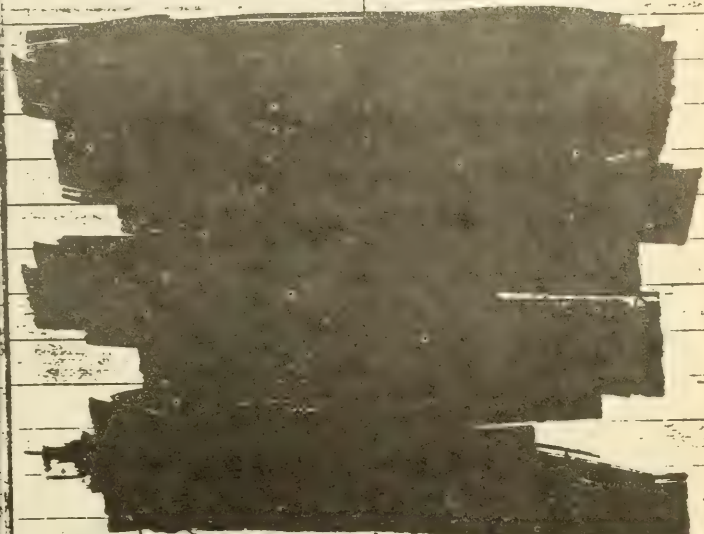
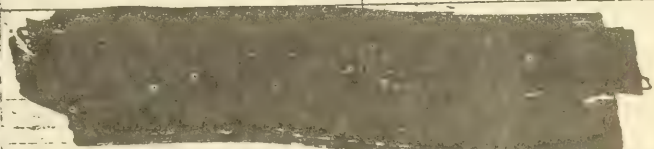
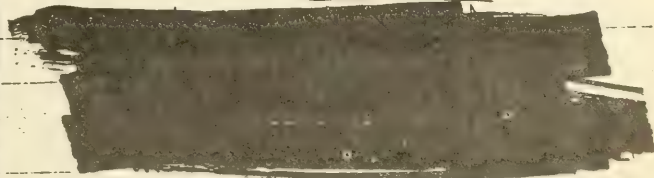
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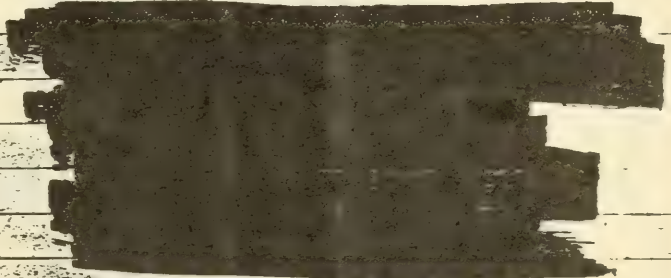
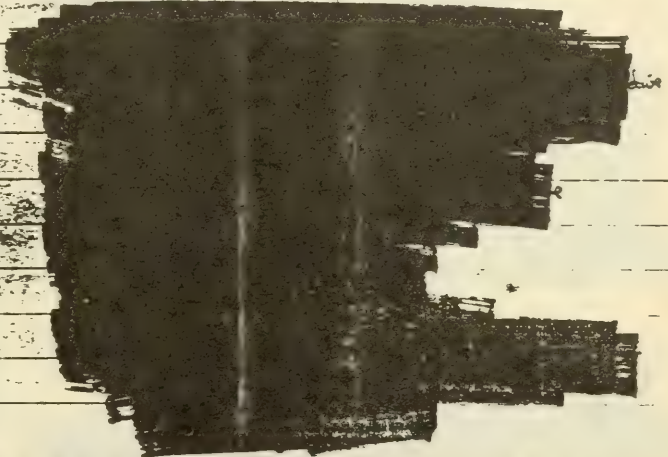
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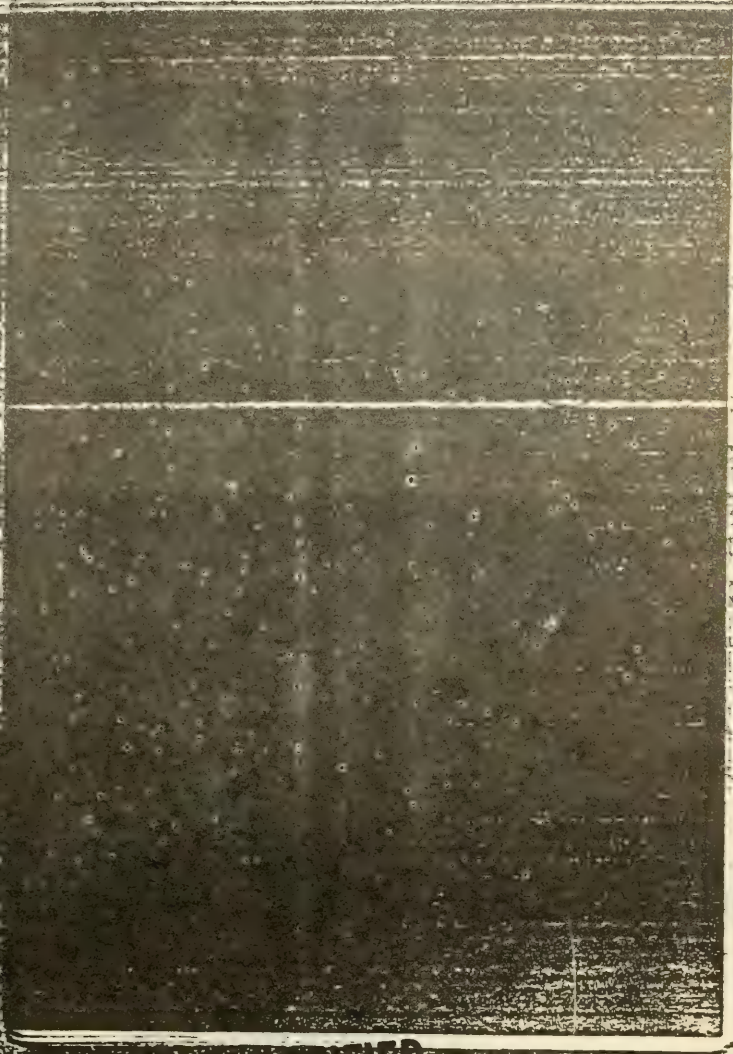
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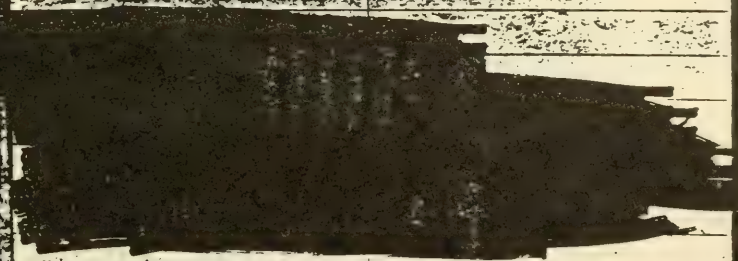

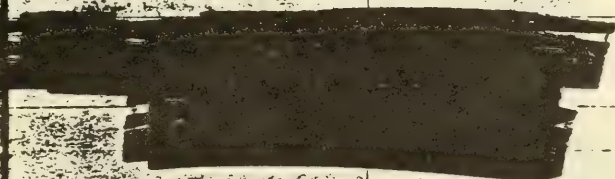
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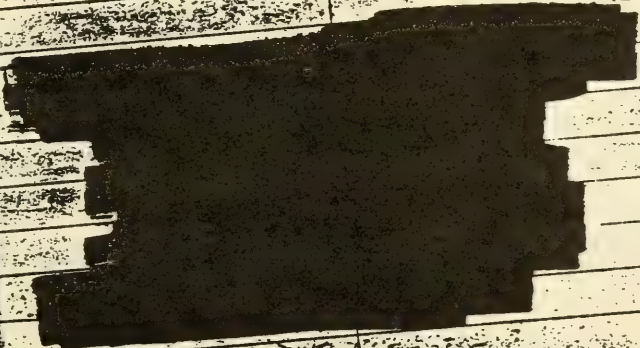
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See Hearing Exhibit DRC-23

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

91442
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400796~~SECRET~~

November 4, 1983

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

N 40079

FROM: OLIVER L. NORTH
CONSTANTINE MENGES

SUBJECT: Support for Nicaraguan Democratic Opposition

Ambassador Negroponce's cable at Tab A suggests an increase in our self-imposed limit on arms for the FDN from [redacted] to [redacted] weapons. He notes that there are currently more "railliers" than there are arms to equip them.

The current Nicaraguan Finding (Tab B) imposes no limits on the numbers of weapons we provide. To date, we have provided [redacted] weapons to the FDN and [redacted] to the ARDE forces in the south. Director Casey has, after the fact, briefed the Select Committees on how many weapons we have provided each time we have increased the number.

State (Michel), Defense (Ikke), and CIA (Casey) agree with Ambassador Negroponce's request and believe that the weapons can and should be provided soon. The President and the Vice President have been asked to concur on these increases in each previous case. On one occasion the matter was brought before the NSPG. Given the urgency of the situation and the President's imminent departure, we do not believe that an NSPG needs to be called on this issue at this time.

RECOMMENDATION

That you initial the memo to the President at Tab I (please note the distribution).

Approve _____

Disapprove _____

cc: Ken DeGraffenreid
Don GreggAttachments

Tab I - McFarlane Memo to the President

Tab A - Negroponce's Backchannel Cable of Nov. 4

Tab B - Current Nicaraguan Finding

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THE WHITE HOUSE
WASHINGTON

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SYSTEM IV
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November 7, 1983

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SECRET

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*
SUBJECT: Support for the Nicaraguan Democratic Opposition

Ambassador John Negroponte in Tegucigalpa, Honduras, has recommended that we increase the number of weapons issued to the FDN forces from [REDACTED]. He cites the increased number of "ralliers" to the anti-Sandinista cause and the momentum that the Democratic Resistance Forces currently maintain.

The current Finding establishes no limits on the number of weapons we can provide. We have a self-imposed ceiling of [REDACTED] FDN weapons that has been in effect since September 1983. We have also issued approximately [REDACTED] weapons to the ARDE units in the south.

The Departments of State and Defense and the DCI concur in Ambassador Negroponte's recommendation regarding the FDN. If you agree, the DCI, in accord with established procedures, will advise the Select Committees of the Congress during his next routine briefing.

RECOMMENDATION

Yes

No

1/22

1. That you authorize 3,000 additional weapons to be issued to the FDN forces, bringing the total number of weapons issued to the FDN to [REDACTED]

cc: The Vice President

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

Chapter 3
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SYSTEM IV
NSC/ICS-400064
Follow-onWell done
N 44831
February 3, 1984~~SECRET~~ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Attack on Guerrilla Command and Control Centers in Nicaragua

2-95

At dusk on February 2, five Cessna 0-2 aircraft armed with 2.75 inch rockets attacked the ERP command and control center, training camp, and logistics facilities at Volcan Casita (see Point A on map).

At dawn the following morning (February 3), [redacted] attacked the FSLN communications and naval arms depot at Aposeutillo. As in the raid the previous night, there were secondary explosions and minimal return fire. None of the aircraft were damaged.

Since the two attacks, radio Managua has claimed that three EPS soldiers were killed by A-37 aircraft attacking from Honduras, and that a "Ministry of Agriculture radio antenna was damaged." [redacted] confirms that radio Veneremos (the propaganda voice of the FMLN) is off the air.

Significantly the GRN, which has been down playing CONTRA activity in recent weeks, has protested loudly over these attacks. Newspaper accounts in Managua today have variously accused ARDE, PDN, the U.S., and Honduras for the attack.

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Policy Information/Action on 8/1/84
NSC/ICS-400064
By E. Saper, National Security Council

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N 44832

As a related issue, we made a conscious decision not to invite the Nicaraguan ambassador to today's ceremony in the East Room. The State Department or OPL did, however, invite Adolfo Colero, the political head of the FDN Colero. This may come to light publicly and we have asked State to provide some press guidance in the event the media here noticed. Colero has already been interviewed by several members of the Latin press.

RECOMMENDATION

That you brief the President using the points above.

Approve ☒ Disapprove ☐

cc: Constantine Menges

Attachment

Tab A - Subject Map

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SYSTEM IV
NSC/ICS-400064

MEMORANDUM

NATIONAL SECURITY COUNCIL

January 23, 1984

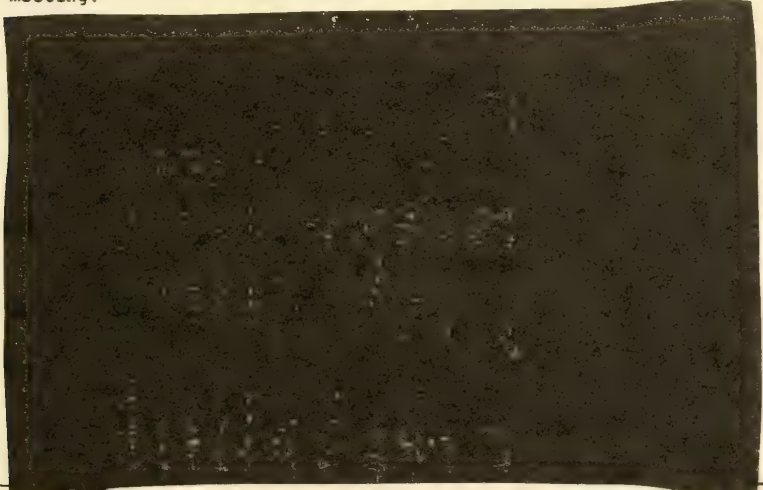
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MEMORANDUM FOR ROBERT C. MCFARLANE

N 44837

FROM: OLIVER L. NORTH
CONSTANTINE MENGESSUBJECT: Targetting Guerrilla Command and Control Centers
in Nicaragua

This is in response to your comment at this morning's director's meeting:

RECOMMENDATION

That you brief the President on the points above.

Approve *[Signature]*

Disapprove _____

Attachment
Tab A - Subject Map

Done. 1/25/84

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See Hearing Exhibit DRC-23

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8 July 87

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To: Name and Address	Date	Class
1 The President		
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xx ACTION	FILE	
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COMMENT	PREPARE REPLY	
CONCURRENCE	RECOMMENDATION	
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REMARKS		
cc: Oliver North (#2 s3) Jim Radzinski (#4) Constantine Menges (#5) Don Fortier (#6)		

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N 16890

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National Security Council
The White House

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DATE OF INFO

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	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin			
Bob Kimmitt	1	K	A
John Poindexter			
Wilma Hall			
Bud McFarlane	2	M	A
Bob Kimmitt			
NSC Secretariat			
Situation Room			
Jim [Signature]	[Signature]	[Signature]	[Signature]

I = Information

A = Action

R = Retain

D = Dispatch

N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:

Date (me)

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NSC/ICS-410111

MEMORANDUM

NATIONAL SECURITY COUNCIL

TOP SECRETACTION

February 17, 1984

N 16892

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
CONSTANTINE C. MENGES
KENNETH DEGRAFFENREIDSUBJECT: Central America Legislative Strategy --
The Jackson Plan and Additional Resources for
Our Anti-Sandinista Program

Based on your guidance after the NSPG meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to the NSPG members on support for the \$14M in additional resources. Both memos refer to this morning's meeting and the necessity for a concerted effort to obtain the requisite funds -- in conjunction with consultations on the Jackson Plan.

The memo from the President at Tab A does not mention the issue of a Congressional confrontation over winning or getting out. Al Keel and others advise that the leak potential would increase significantly if this dimension were to be included.

Please note that the President's memo at Tab A should be dated February 17, regardless of when it is signed.

Recommendation

That you initial and forward your memo to the President at Tab I.

Approve ✓

Disapprove _____

Attachments

Tab I McFarlane/President
Tab A Presidential memo to State, OSD, CIA, CJCS

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N 16893



MEMORANDUM FOR THE PRESIDENT

~~TOP SECRET~~SYSTEM ID:
NSC/ICG-400100

THE WHITE HOUSE

WASHINGTON

February 21, 1984

N 16894

TOP SECRETSENSITIVEACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*

SUBJECT: Central America Legislative Strategy - Additional Funding for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: As you were briefed at this morning's NSPG meeting, the FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to \$24M. Unless an additional \$14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: Operations by the FDN, ARDE, and MISURA Indian opposition groups are the only significant pressure being applied against the regime in Managua. Should these efforts have to be terminated for lack of resources, we will have lost our principal instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing the threat to Honduras.

The NSPG principals are in agreement that the only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action. Copies are also provided to each of the NSPG members.

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The NSPG principals also agreed that this effort must be undertaken in concert with our strategy to obtain approval for legislation to implement the NBCCA report. Our spokesmen defending this legislative proposal must be prepared to defend our Nicaraguan program as vigorously as the other economic, humanitarian, and security assistance elements of the plan. We can also use the report required by the Intelligence Authorization Act as an opportunity to further this goal.

Recommendation:OKNoOK

That you sign the memo at Tab A.

Attachment

Tab A - Memo to Shultz/Weinberger/Casey/Vessey

Prepared by:
Oliver L. North

cc: Vice President

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N 16896

TAB

A



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THE WHITE HOUSE

WASHINGTON

February 21, 1984

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SENSITIVE

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Central America Legislative Strategy -- Additional
Funding for Nicaraguan Democratic Opposition
Forces (TS/S)

This afternoon I forwarded to the Congress our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). I have also reviewed and endorse the legislative and public diplomacy strategy for achieving Congressional approval. (C)

Pursuant to our discussion at this morning's NSPG meeting, our approach to the Congress on the NBCCA legislation must also focus on obtaining sufficient funding to carry on our Nicaraguan democratic opposition program throughout FY-84. Not only is this course of action specified in NSDD-124, it is imperative if our increased assistance is to have a positive impact when it is available. We must make this a matter of highest priority as we consult with Congress in building support for the Jackson Plan. Increased resources of \$14M for this endeavor are essential to continue these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in presenting our case to the relevant Congressional members and committees on this issue. A concerted effort must be made by all Administration spokesmen to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well.

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The Legislative Strategy Group under Jim Baker should determine the proper legislative instrument for obtaining these funds. The State Department should incorporate this effort within our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. All our efforts in the weeks ahead must make it clear that the Jackson Plan legislation and the resistance program are essential to U.S. national interests. (TS)

Ronald Reagan

CC: The Vice President
William French Smith
Edwin Meese III
David Stockman
Jeane J. Kirkpatrick
James A. Baker III
Robert C. McFarlane

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SENSITIVE

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CONCURRENCE		RECOMMENDATION
DIRECT REPLY		RETURN
DISPATCH		SIGNATURE
REMARKS		

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THE WHITE HOUSE

WASHINGTON

February 21, 1984

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SENSITIVE

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

GENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of Staff

SUBJECT: Central America Legislative Strategy -- Additional
Funding for Nicaraguan Democratic Opposition
Forces (TS/S)

This afternoon I forwarded to the Congress our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). I have also reviewed and endorse the legislative and public diplomacy strategy for achieving Congressional approval. (C)

Pursuant to our discussion at this morning's NSPG meeting, our approach to the Congress on the NBCCA legislation must also focus on obtaining sufficient funding to carry on our Nicaraguan democratic opposition program throughout FY-84. Not only is this course of action specified in NSDD-124, it is imperative if our increased assistance is to have a positive impact when it is available. We must make this a matter of highest priority as we consult with Congress in building support for the Jackson Plan. Increased resources of \$14M for this endeavor are essential to continue these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in presenting our case to the relevant Congressional members and committees on this issue. A concerted effort must be made by all Administration spokesman to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well.

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NATIONAL SECURITY COUNCIL

February 13, 1984

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N 16901

-MEMO FOR ROBERT C. MCFARLANE

FROM: OLIVER NORTH

Per our phone call this morning, this package is forwarded for you to transmit to the President. Both the memo at Tab I to the President and the Tab A memo from the President leave the issue of where the money comes from open. We may want to take it from the reserve or request a supplemental for the intelligence program. What is most important, however, is that we obtain relief from the \$24M ceiling. The President's memo at Tab A notes that this is our objective and makes it clear that Shultz and Casey must defend our Nicaraguan program as essential to a negotiated settlement in the region and our national interests. State, CIA, NSC, and OMB are in agreement with this approach.

Attachment

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National Security Council
The White House

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Bob Kimmitt	<u>1</u>	<u>K</u>	
John Pindexter			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat			
Situation Room			
<u>North</u>	<u>3</u>		<u>function</u> <u>action per</u> <u>RCM note</u>

I = Information

A = Action

R = Retain

D = Dispatch

N = No further Action

cc: VP Meese Baker Deaver Other _____

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(Date T - e)

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The White House

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Bud McFarlane		<u>21</u>	
Bob Kimmitt			
NSC Secretariat	<u>3</u>		<u>3</u>
Situation Room			

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cc: VP Meese Baker Deaver Other

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Date: 1/13/82
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spell it out^{N 16904}

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Trevor Hill, but

stay in Sir
Trevor Hill.
The money should ~~not~~
go to Sir
Trevor Hill, but
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Trevor Hill.

Dr. Hill

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 NATIONAL SECURITY COUNCIL

February 10, 1984

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SENSITIVE

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Additional Funding for
 Nicaraguan Democratic
 Opposition Forces (TS/S)

Per you note attached, Tab A to this package has been revised. The changes made are indicated on the marked-up copy which is attached.

*Bill -
 1 per your instruction: in Ollie has
 redrafted.*

*2) Please review and indicate
 whether we should DAcorn to John.*

Bill
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National Security Council
The White House

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John Poindexter			
Wilma Hall	2		
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat			
Situation Room			

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I = Information	A = Action	R = Retain	D = Disposition	N = No Further Action
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cc: VP Meese Baker Deaver Other

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Should be seen by

Date Time:

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NOTED 3/2/72

MEMORANDUM

~~UNTOP SECRET~~
NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400122

N 16908
February 7, 1984

TOP SECRETSENSITIVEACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
ALTON KEEL

SUBJECT: Additional Resources for our Anti-Sandinista Program

Based on your guidance at our meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to those most concerned with this issue. Your memo provides straightforward background on the resource requirements and cites the need for a concerted effort in order to achieve success.

Today's events regarding the situation in Lebanon make the points in your memo--and subsequent action--even more imperative. If this program founders for lack of funds, we may very likely suffer a major foreign policy reversal with repercussions well beyond Central America. The [REDACTED] already concerned about our continued trade with Nicaragua and lack of response to the killing of Warrant Officer Schwab, could soon have to contend with 10,000-12,000 armed and very unhappy, unpaid resistance fighters.

Please note that Dr. Kissinger, in private meetings today with Speaker O'Neill and HPSCI Chairman Boland, defended this program most eloquently. He believes that with a well led and cooperative effort we can carry the day on this issue. He has not yet been made aware of the magnitude of our shortfall.

Congressional resistance on this issue is formidable to the degree that prospects for success are bleak even with a concerted effort. At some point, we may have to reassess our prospects and decide whether prudence requires that we somehow stretch out FY-84 effort to avoid running out of funds.

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Because the President's memo cites the NSDD which we have just forwarded for transmission to the coast, we should ensure that Tab I and Tab A are held until the NSDD is received. This increases the urgency for getting a signed NSDD distributed to the principals. 169169

RECOMMENDATION

That you initial and DACOM your memo to the President with Tab A attached.

Approve _____

Disapprove _____

Attachments

Tab I - McFarlane Memo to the President

Tab A - Presidential Memo to State, OSD, CIA, JCS

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THE WHITE HOUSE
WASHINGTON

SYSTEM IV
NSC/ICS-400122

N 16910

February 16, 1984

TOP SECRET

SENSITIVE

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE *RCM*
SUBJECT: Support for the Anti-Sandinista Forces

Issue: How can we best obtain additional resources for continuing this program?

Facts: The FY-84 Defense Appropriation and Intelligence Authorization Acts limit funding for our operations in support of the Nicaraguan opposition forces to \$24M. Unless an additional \$12-\$14M is made available, the program will have to be drastically curtailed by May or June of this year. The Intelligence Authorization Act also asks for a Presidential report by March 15, on steps taken and recommendations for further action to achieve a negotiated settlement in Central America.

Discussion: In accord with your Finding of September 19, 1983, we currently provide support and guidance for the [REDACTED] opposition groups. Their operations [REDACTED]

[REDACTED] are the only significant pressure being applied against the regime in Managua. Should this effort collapse for lack of resources, we will have lost our principle instrument for restraining the Sandinistas from exporting their revolution and, in fact, for facilitating a negotiated end to the regional conflict. The international repercussions of this failure in American policy will affect friends and adversaries alike. We must avoid precipitating perceptions of a second "Bay of Pigs" or creating an environment conducive to the collapse of El Salvador or increasing threats to Honduras.

Our only practical alternative is to approach the Congress with a concerted effort to obtain additional funding for this program, despite the anticipated strong resistance we expect. The memo at Tab A from you to the Secretaries of State and Defense, the Director of Central Intelligence, and the Chairman of the Joint Chiefs will serve to initiate such action.

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SYSTEM IV
NSC/ICS-400122

THE WHITE HOUSE

WASHINGTON

N 16911

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of StateTHE HONORABLE CASPAR W. WEINBERGER
The Secretary of DefenseTHE HONORABLE WILLIAM J. CASEY
The Director of Central IntelligenceGENERAL JOHN W. VESSEY, JR.
Chairman, Joint Chiefs of StaffSUBJECT: Additional Funding for Nicaraguan Democratic
Opposition Forces (TS/S)

The recent National Security Decision Directive on promoting democracy, economic improvement, and peace in Central America calls for immediate efforts to obtain sufficient funding to carry on our Nicaraguan democratic opposition program throughout 1984. This must be a matter of highest priority as we proceed to build support for our legislation to implement the recommendations of the National Bipartisan Commission on Central America (NBCCA). Increased resources of \$12-\$14M for this endeavor are essential to ~~continue~~ these activities and prevent a major foreign policy reversal. I am determined that this program should continue. (TS/S)

Secretary Shultz and Director Casey should take the lead in ~~presenting~~ presenting our case to ~~the~~ relevant Congressional members and committees ~~on this issue~~. A concerted effort must be made by all Administration spokesmen to explain the necessity of this program and its value in achieving our objectives--not only in the region, but worldwide as well. ~~This should be~~ a part of our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. We must all make it clear that this program is essential to U.S. national interests. (TS/S)

we should make this

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 DD: ((The Legislative Strategy Group under Jim Baker should determine the proper legislative instrument for obtaining these funds. The State Department should incorporate this effort within our overall strategy to obtain approval for legislation implementing the NBCCA recommendations. Secretary Shultz should draft, by March 8, 1984, a report responsive to Section 109 of the FY-84 Intelligence Authorization Act. The report should emphasize the necessity of this program in achieving a negotiated settlement in the region. All our efforts in the weeks ahead must make it clear that the Jackson Plan legislation and the resistance program are essential to U.S. national interests. (TS)

*Call
 al Keel
 please
 and let's
 have an L56
 to decide
 this. Keel
 supposedly preparing
 a paper w/ the options.
 Mount - JAB*

Ronald Reagan

CC: The Vice President
 William French Smith
 Edwin Meese III
 David Stockman
 Jeane J. Kirkpatrick
 James A. Baker III
 Robert C. McFarlane

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National Security
The White House

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N 16913

	SEQUENCE TO	HAS
Bill Martin	1	WPM
Bob Kimmitt		
John Poindexter		
Wilma Hall	3	
Bud McFarlane	4	4
Bob Kimmitt		
NSC Secretariat		
Situation Room		

2mo (5)

1 = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:

Date-Time

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Document

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(31 pp)

Deleted in

Declassified on 8 July 87
Pursuant to E.O. 12958
by R. [redacted], National Security Council

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THE WHITE HOUSE
WASHINGTON

April 5, 1984

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Dear Senator Baker:

In his letter to you last evening, the President indicated that we do "not seek to destabilize or overthrow the Government of Nicaragua; nor to impose or compel any particular form of government there." He also noted that "we are trying, among other things, to bring the Sandinistas into meaningful negotiations and constructive, verifiable agreements with their neighbors on peace in the region." The phrase "among other things" in the President's letter refers to activities authorized by the Finding of September 19, 1983. (S)

It is important to note that all our support for the Nicaraguan Democratic Resistance Forces is carried out in accord with this Finding. Equally significant is the fact that this same Finding also clearly states that we will provide support, equipment, and training to the Nicaraguan Opposition Forces in order to: (S)

- induce the Sandinistas, Cubans, and their allies to cease their support for insurgencies in the region; (S)
- hamper Cuban/Nicaraguan arms trafficking; and (S)
- divert Nicaragua's resources and energies from support to Central American guerrilla movements. (S)

Finally, the Finding clearly states that we will cease our support for the resistance movement when it is verified that:

- the Soviets/Cubans/Sandinistas cease providing--through Nicaragua--arms, training, command and control, and other support for guerrillas operating in or against other countries in Central America; and (S)
- the Sandinistas demonstrate a commitment to amnesty and non-discriminatory participation for all Nicaraguans in their political process. (S)

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This program is essential if friendly Central American nations are to strengthen their democratic, political institutions and achieve economic and social development--free from Soviet, Cuban, and Sandinista interference. It is, in the opinion of the democratic leaders in the region who have communicated with the President on this matter, critical to achieving a negotiated political resolution of international tensions in Central America. This view was reflected in the report of the National Bipartisan Commission on Central America. (S)

The Commission accurately noted that the opposition forces represent the only real pressure being brought to bear on the Sandinista regime. Perhaps most importantly, the resistance forces offer the only real hope to the people of Nicaragua that the promises made by the Sandinistas to the OAS in July 1979 will ever be met. (S)

Please be assured that we have not deviated from the strictest interpretation of this Finding. (U)


Robert C. McFarlane

The Honorable Howard Baker
Majority Leader
United States Senate
Washington, D.C. 20510

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National Security Council
The White House

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Bill Martin	1	WFM	
Bob Kimmitt	✓	K	
John Poindexter	3		
Wilma Hall			
Bud McFarlane	4		
Bob Kimmitt			
NSC Secretariat			
Situation Room			

Bud

1 = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS

Should be seen by:

(Date/Time)

We should run this by the principal agencies, as well as have a discussion with M. Keel. If the LSG has decided fully to endorse the Commission report, then OMB should be told (by Pearson) that the money issue is settled and the question is how to set the measures.

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R.M.F. 4/6/5
4/6/5
4/6/5

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MEMORANDUM

N 43394

~~CONFIDENTIAL~~
~~W/ TOP SECRET ATTACHMENT~~

NATIONAL SECURITY COUNCIL

ACTION

January 13, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: CONSTANTINE MENGES *com*
OLIVER NORTHSUBJECT: Central America - Draft NSDD to Implement
NSPG Decisions of January 6, 1984

At Tab I, we have attached a draft NSDD to implement the decisions of the January 6, 1984 NSPG.

Two items might be controversial:

- Our citing of the specific budget amounts for the FY'84 supplemental; all agencies ~~except OMB~~ are willing to go with these amounts and they agree ~~the bi-partisan~~ commission amounts.
- The last paragraph on possible economic sanctions against Nicaragua uses wording suggested by Roger Robinson, who also prepared the memorandum on this topic at Tab II. Roger's view is that you can fairly use the secrecy rationale for keeping this issue within the NSPG context, rather than having the SIG-IEP do the analysis which in his view makes any action less likely and risks immediate public disclosure.

RECOMMENDATION

That you approve the NSDD so that we may submit it to each of the principals for their review, with your final approval to be given early next week in the event major changes are suggested.

Approve _____

Disapprove _____

Attachments

- Tab I - Draft NSDD
- Tab II - Roger Robinson Memo

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~~W/ TOP SECRET ATTACHMENT~~
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1-16-84

I think we ought to ask for NSDD to be sent to HA as part of comm review and directed last Thurs. could be

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N 43395THE WHITE HOUSE
WASHINGTON

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SENSITIVE

CENTRAL AMERICA: PROMOTING DEMOCRACY,
ECONOMIC IMPROVEMENT, AND PEACE (S)

At the conclusion of an Executive Branch strategy review and taking account of the recommendations of the Bipartisan Commission on Central America, we remain committed to the four elements of our policy: support for the implementation of democracy; efforts to raise living standards; dialogue for the resolution of internal disputes through democratic elections and international conflicts through verified agreements; and, security assistance to governments threatened by communist subversion and guerrilla warfare. (S)

The Bipartisan Commission report agrees with our view that the United States must provide levels of assistance which are adequate to help friendly governments and democratic groups succeed because the alternative could be the destabilization of the entire region.

In order to accomplish our objectives, the following actions will be taken: (S)

- move to end*
- o The Director of OMB together with the Secretary of State and the Secretary of Defense will coordinate to obtain substantially increased economic and security assistance resources for the countries in the region: an FY 84 supplemental budget request in the range of \$669M (\$410M economic and \$259M security assistance) and an increase in FY 85 funding of approximately \$750M (\$500M economic and \$250M security assistance). (S)
 - o The Secretary of State in coordination with the Secretary of Defense and the Director of Central Intelligence will implement the following diplomatic strategy: (S)
 - In Nicaragua: our bottom-line objective for the Nicaraguan government must include

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Chapter 2, Footnotes 114, 115

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democratic commitments. There will be immediate efforts to obtain additional funding of \$10-15 million from foreign or domestic sources to make up for the fact that the current \$24 million appropriation will sustain operations only through June 1984. (TS)

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2-141

6/25/84

Chapter 2, Footnote 141, 153

25 Jun 84

0340

[REDACTED] / OFFSHORE BANK ACCT

[] Lease w/in 24 hrs.

- Lease let subject known of Amt, location, or even availability

- No one in our cost can be aware

- No organizations must know of cost aware.

- Transfer w/in 24 hrs.

- Cost is communication - [REDACTED] - [REDACTED]

- [REDACTED] [REDACTED]

- No more [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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Chapter 2, footnote 141

0 0338

24 June 89

☐ 1200 - 1200 - 1500

☐ 1500?

☐ Call to Rear - 0820

☐ Call to Rear - 0820

☐ Document w/ D

- Rabala - 1500 - 1500

A.C.

Car

Area

Under Area

coming

- Fred Hutchinson - 1500 - 1500

two days

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2-153

2/25/84

Chapter 7, Footnote 14, 153

25 Jun 84

0340

[REDACTED] / [REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED] 24103

- [REDACTED] [REDACTED] [REDACTED] of [REDACTED], [REDACTED], or [REDACTED] available

- [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

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- [REDACTED] [REDACTED] 24103

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Chapter 2, footnote 141

Q 0338

29 June 89

☐ memo. 1945-1946☐ 195?☐ Call to Bear re arrangement☐ Document w/ J.C.

- Rabala

A.C.

C.R.

- Fred Kuchel

Under Name - coming

- Fred Kuchel

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2-154

See Hearing Exhibit CG-60

2-157

See Hearing Exhibit CG-60

2-166

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26 Jul 84

I Steve Barry - HPSCI - 225-6667

- Andrews was asked to ID D448

- Touchstone

- Quinone is going to co-sponsor w/ Emerson

[REDACTED]

[REDACTED]

□ Gen Secord

1-100 Shipping Prices

Shipping Agent - Rafael Quinone
Cuba
Miami

4505

Knows maritime ops

Knows logistic support

Would make a good logistic commander

Travels in region frequently

Casualty in drug dealer - Cocky, knows a lot

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2-175

See Hearing Exhibit OLN-253

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Chapt

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ate 178

N 6446

Ollie/kepls check
 w/ CIA legal
 Counsel promptly
 confer in this CR
 to legal under
 language.

1/26/77

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ROUTING

To	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
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6			

XX ACTION	FILE
APPROVAL	INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE

REMARKS:

cc: Oliver North (02 and 3)
 Ken deGraffenreid (04)
 Jim Radzinski (05)

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Warning Notice

Intelligence Sources and Methods Involved

NATIONAL SECURITY INFORMATION

Unauthorized Disclosure Subject to Criminal Sanctions

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copy 1 sent only 12/1/83

BKD
 115-37
 12-11-84

MEMORANDUM

Ch. 2-178

~~UNCLASSIFIED~~

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400907

N 6440

October 9, 1984

~~TOP SECRET~~

2-178


SENSITIVEACTIONPartially Declassified / Released on 16 Jul 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM FOR ROBERT C. MCFARLANE

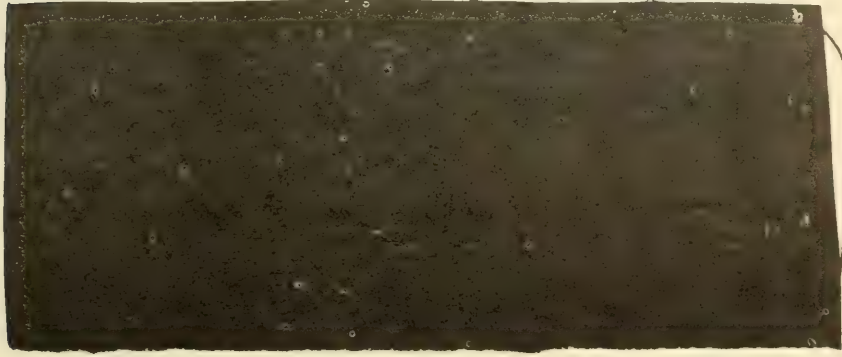

FROM: OLIVER L. NORTH

SUBJECT: Draft National Security Decision Directive (NSDD)
on Arms Interdiction in Central America (TS)

Attached at Tab I is a draft NSDD which implements the decisions taken during and since the NSPG meeting held on September 11, 1984. The NSDD calls for the CIA to provide assistance to the Nicaraguan Resistance Forces in interdicting Soviet arms bound for the FSLN in Managua.



The CIA has quietly asked for this NSDD as a means of implementing those issues deliberated at the September 11, 1984 NSPG meeting (Tab II). In a private meeting with Calero today, he raised this issue as important to the military credibility of the FDN.



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[REDACTED]

The activities called for in the NSDD would be carried out under the provisions of the September 19, 1984 Presidential Finding (Tab III).

RECOMMENDATION

That you authorize circulation of the draft NSDD (Tab I) to State (Motley), CIA (C. George), and PCS (Moreau) for their concurrence.

Approve _____

Disapprove _____

cc: Ken deGraffenreid

Attachments

- Tab I - Draft NSDD
- Tab II - Minutes of NSPG Meeting on September 11, 1984
- Tab III - Presidential Finding of September 19, 1984

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N 6450

~~TOP SECRET~~National Security
Decision DirectiveArms Interdiction in Central America

Soviet bloc arms of increasing technical sophistication and firepower continue to be delivered to the FSLN in Nicaragua at an unprecedented rate. The shipment of this military materiel poses a growing threat to our own security interests and to the democratic governments and the peoples of Costa Rica, El Salvador, and Honduras. At the very least, this extraordinary Nicaraguan military build-up is intimidating to those in the region intent on achieving an enforceable multi-lateral agreement for peace, stability, economic recovery and democracy in the region. (S)

Provision of such support would be conducive to restoring influence over resistance activities which has diminished as a consequence of no U.S. funding. (S)

FSLN covert support for the Salvadoran guerrilla forces is also a persistent problem. Munitions from Nicaragua continue to be an essential element in the ability of the FMLN to conduct operations against the Government of El Salvador (GOES).

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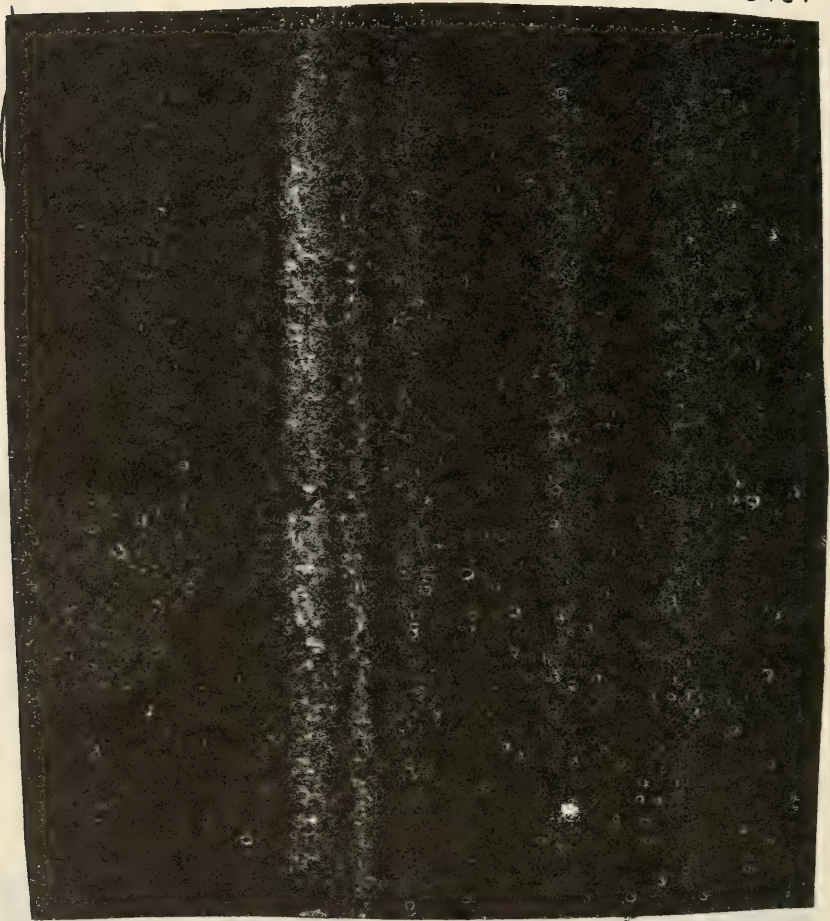
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Findings of the Intelligence Committee
The Foreign Assistance Act of 1948
As Amended, Concerning Operations
Undertaken by the Central Intelligence
Agency in Foreign Countries, Other than
Those Intended Solely for the Purpose
of Intelligence Collection


N 6461

I hereby find that the following activities are important to the national security of the United States, and direct the Director of Central Intelligence, or his designee, to report this Finding to the Intelligence Committees of the Congress pursuant to Section 301 of the National Security Act of 1947, as amended, and to provide such briefings as necessary.


 NICARAGUA

PURPOSE

Unilaterally and in cooperation with other governments, provide support, equipment and training assistance to Nicaraguan paramilitary intelligence groups.



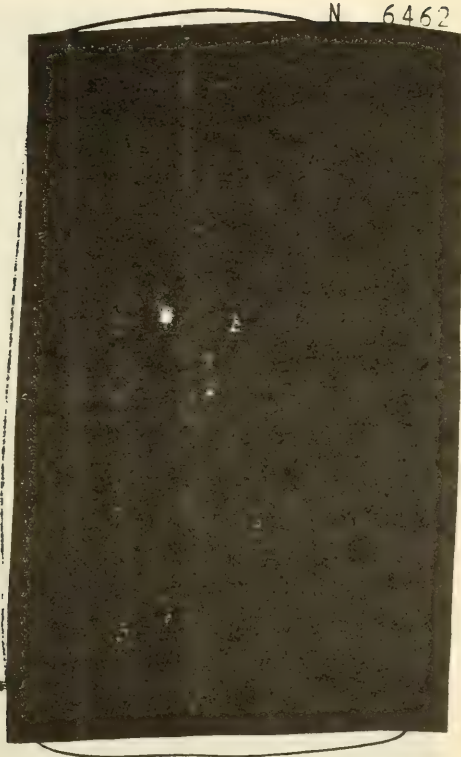
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N 6463

The Director of Central Intelligence is directed to ensure that this program is continuously reviewed to assure that its objectives are being met and its restrictions adhered to.

The White House
Washington, D.C.

Ronald Reagan

Date: September 19, 1983

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OF CIA ACTIVITIES
UNDER THE NICARAGUA FINDING

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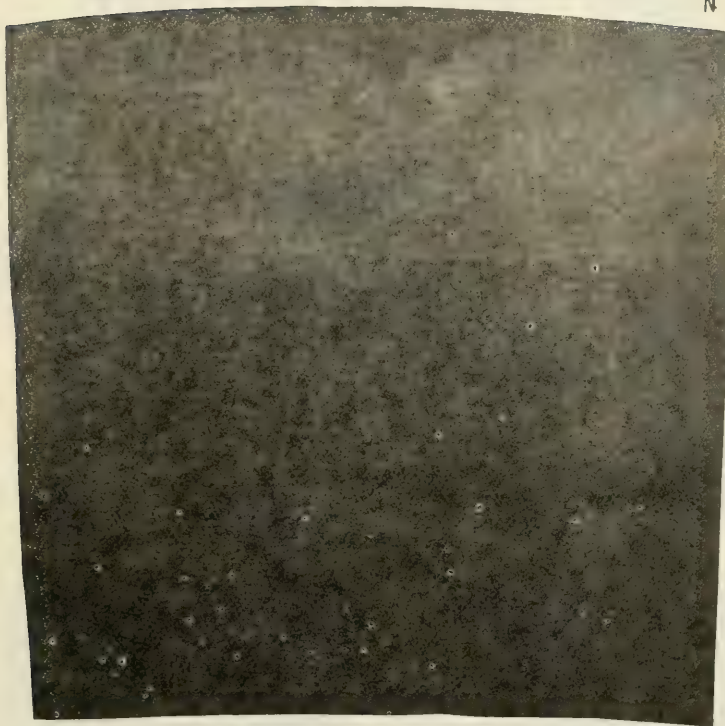
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6 July 1987

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Freight: 175.00

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3 Jan 85

□ 1845- Call to/from Adolfo

- In D.C. on 8th

- Bad treatment on NBC w/ Sen Leahy

- Almost/hard growler - competitively priced

- Rooms from [redacted] too expensive

- Advised that Blue-Rose deal is off

- Flight to Norfolk rd - very expensive

- Holding live deposit.

- [redacted]

- Airplane deal arrive next week

- Sea shipment not until mid. wks.

- On A/C - 7.62, 60mm, 81mm
50 cal.

- Cost - almost \$500K

Cost A/C

- Load from [redacted] arrived today

- Rifles (4900)

- 200 M60's

Partially released on 6 July 1987
 in violation of E.O. 12356
 by National Security Council

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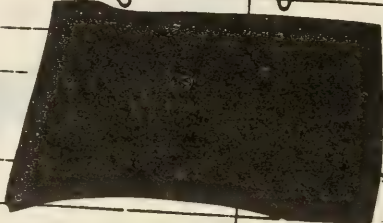
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Chapter 2, Footnote 200

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- Call for Ad. 8/6



1/26/87

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C.N.A.
7 Dec 84Chapter 2
Topic 201

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1/26/88

(451)

- Delegation in [REDACTED]
- social credit
- work up [REDACTED]
- Blasphemy

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LAW

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17 Dec

Q0910

Declassified and released on
 under provisions of E.O. 12958
 by J. Reger, National Security Council

☐ Call from Brewster

- Returned from [redacted]

- 48 Bowfines - fine

- 8 Launchers - 28 K ea. (500K total)

- Have to improve [redacted]

- 8-10 per. for training

Start 2 Jan

- Will have to buy some items

from [redacted] which are somewhat more expensive

- Deliver by sea w/ trainers by end of Jan

- Will deliver thru [redacted]

[redacted] will communicate

* - Will talk to Dick Secord

UNCLASSIFIED

1735

Ch. 2 # 201, 203

16 pages Withcham.
 Danced in its entirety
 N 7200 - N 7215
 NS - 131
 System IV 401270
 5/12/87

(from Index 6)

(626)

1	Name and Address	Date	Initials
2	The President		
3	Robert C. McFarlane		
4	Oliver L. North		
5			
6			
	ACTION	FILE	
	APPROVAL	INFORMATION	
	COMMENT	PREPARE REPLY	
	CONCURRENCE	RECOMMENDATION	
	DIRECT REPLY	RETURN	
	DISPATCH	SIGNATURE	
REMARKS:			

True has been

UNCLASSIFIED

N 7200

NSC/ICS CONTROL NO IV 401270

COPY NO. 1 OF 1

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

True

Partially Declassified / Released on 6 July 1997
 under provisions of E.O. 12356
 by D. Reger, National Security Council

Warning Notice
 Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
 Unauthorized Disclosure Subject to Criminal Sanctions

UNCLASSIFIED

*8601/281
12-n-86
NS131*

MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS 401270

December 20, 1984 N 7201

~~TOP SECRET~~SENSITIVEACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: [REDACTED] and
Central America

At Tab I is a memorandum from you to the President

[REDACTED]
[REDACTED] may be prepared to help in Central
America.Central America.

Several weeks ago, David Walker, a former SAS officer, now a reputable British Security Specialist, indicated a willingness to

~~TOP SECRET~~

Declassify on: OADR

~~TOP SECRET~~
UNCLASSIFIEDSENSITIVE

UNCLASSIFIED

7202

~~TOP SECRET~~

2

SENSITIVE

assist in special mission planning and training for the Nicaraguan resistance. This approach was reported in a separate memorandum. Walker also informed that BLOWPIPE surface-to-air missiles may be available [redacted] for use by the FDN in dealing with the HIND helicopters. This information was passed through an appropriate secure and source protected means to Adolfo Calero who proceeded immediately to [redacted]. Yesterday, Calero, having returned from [redacted], advised that [redacted] have possession of large quantities of BLOWPIPE missiles and that they are willing to make 40 missiles and five to eight launchers available to the FDN. There would be no charge for the missiles, but [redacted] did ask \$15K each for the launchers. [redacted] noted, however, that they would need to obtain [redacted] permission for the transfer. Training on the weapons system was also offered for up to ten three-man teams from the FDN on a no-cost basis. Calero will dispatch the trainees to [redacted] on December 23. According to Calero, no one in [redacted] is aware that the USG has knowledge of this offer [redacted]

Your memo to the President at Tab I brings these issues to his attention and asks that he discuss the matter of the Nicaraguan resistance very privately with [redacted]. You will recall [redacted] we discussed the matter of [redacted]

[redacted] This may be the best opportunity we have to obtain such support for the resistance. Given recent actions in Nicaragua, we may not have another chance if we wait.

RECOMMENDATIONS

1. That you initial and forward the memo at Tab I.

Approve _____ Disapprove _____

2. That you release the cable at Tab II.

Approve _____ Disapprove _____

Attachments

Tab I - McFarlane memo to the President

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SENSITIVE

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N 7203

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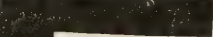
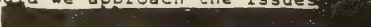
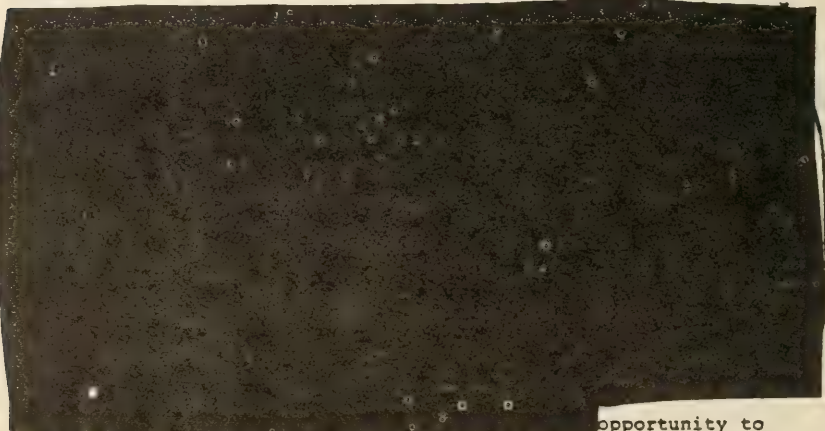
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WASHINGTONSYSTEM IV
NSC/ICS 401270

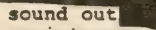
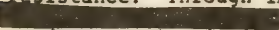
N 7204

~~TOP SECRET~~SENSITIVEACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT C. MCFARLANE

SUBJECT:  Central AmericaIssueHow should we approach the issues  Central America Facts

...opportunity to sound out  on steps they could take to assist the Nicaraguan resistance. Through intermediaries, we have been apprised that  is prepared to provide up to 48 BLOWPIPE surface-to-air missiles to the freedom fighters.

~~TOP SECRET~~

Declassify on: OADR

SENSITIVE~~UNCLASSIFIED~~

~~UNCLASSIFIED~~~~TOP SECRET~~SENSITIVE

_____ indicate that they need to have permission
to transfer these missiles _____

_____ These weapons, or something similar
(e.g., SA-7s), are essential if the resistance is to stay in the
fight now that the Sandinistas are employing their Soviet-
provided MI-24 HIND-D helicopters.

Discussion

N 7205

On the matter of supporting the Nicaraguan resistance, we should
very privately express approbation for anything _____ is
willing to do in support of their cause. _____

RecommendationOKNo

_____ That you discuss the matters indicated above _____

Prepared by:
Oliver L. North

~~TOP SECRET~~
Declassify on: OADR

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~~TOP SECRET~~SENSITIVE

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N 7206

UNCLASSIFIED

UNCLASSIFIED

ONE PAGE

WITHDRAWN

UNCLASSIFIED

N 7208

UNCLASSIFIED

UNCLASSIFIED

UNCLASSIFIED

4 PAGES

WITHDRAWN

UNCLASSIFIED

UNCLASSIFIED

3 PAGES

WITHDRAWN

UNCLASSIFIED

Ch. 2 of 201, 202

2-202

17 Dec

Q0910

Classified Material released by
 under provisions of E.O. 12356
 by 2, Reger, National Security Council

- ☐ Call from Brewery
- Returned from [redacted]
 - 48 Bowfiver - free
 - 8 Laundry - 25 K ea. (500K total)
 - Have to inform [redacted]
 - 8-10 per. for training - starts 2 Jan
 - Will have to buy some items from [redacted] which are somewhat more expensive
 - Deliver by sea w/ trainers by end of Jan
 - Will deliver thru [redacted]
 - [redacted] will communicate
 - * Will talk to Dick Secord

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1735

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203

2-203

16 pages Withdrawn
Danced in its entirety
N 7200 - N 7215
NS - 131
System IV 401270
5/12/87

(from Index 6)

626

Q0934

2-205

3 Jan 85

□ 1545 Call to/from Adfor

- In D.C. on 8th
- Bad treatment on NBC w/ Sen Leahy
- Nixon/Henry grandeur - completely priced
- ~~Adfor~~ [redacted] off
- Rumor from [redacted] too excessive
- Advised that Blue-Ripe deal is off
- Highlight North side - very expensive
- Holding live deposit.
- [redacted]
- Airplane local arrive next week
- Sea shipment not until mid. week.
- On AC - 7.62, 60mm, 81mm
50 cal.
- Cost - almost \$500K
- [redacted] AC
- Load from [redacted] arrived today
- Rifer (4900)
- 200 MGR

Partially

declassified on 6 July 1987

in accordance with E.O. 12356

by National Security Council

UNCLASSIFIED

1739

(45/2)

LAKE RESOURCES
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 9-11-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
02-26-86	LAKE RESOURCES CREDIT SWISS EAUX-VIVES	222,002.50		1,927,110.29
04-07-86	GULF MARKETING CREDIT SUISSE	93,122.60		2,020,232.89
04-10-86	GULF MARKETING CREDIT SUISSE	136,139.60		2,156,372.49
05-20-86	TOYCO S. A. CREDIT SUISSE	13,152.79		2,169,525.28
05-23-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	200,002.79		2,369,528.07
05-23-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	200,002.79		2,569,530.86
07-01-86	TOYCO S. A. CREDIT SUISSE	845,002.67		3,414,533.53
07-16-86	HYDE PARK SQUARE CORP. CREDIT SUISSE	881,990.23		4,296,523.76
Reference Bank: TRANS WORLD ARMS INC. (9206)				
12-28-84	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	414,043.00		414,043.00
01-16-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	90,005.88		504,048.88
01-21-85	LAKE RESOURCES CREDIT SWISS EAUX-VIVES		121,823.00	382,225.88
01-22-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	400,005.88		782,229.76
03-19-85	ENERGY RESOURCES INT'L. CREDIT SUISSE EAUX-VIVES	600,005.21		1,382,234.97

58

1/24/87

H 09409

UNCLASSIFIED

UNCLASSIFIED

2-212

UNCLASSIFIED

Q 1595

□

□ Why w/ Adolf -

□ Michael Laker / Night line
Response to charges of Abortion

□ Calvin - Cool Pressed
 Say the same thing all the time
 Killing of Civilian would be suicide
 for the movement.

UNCLASSIFIED

(4513)

88/92/1

Partial Exemption
 under FOIA
 by R. [illegible]

UNCLASSIFIED

0 1554

☒ Talk for person in press office☒ Meeting in [REDACTED]☒ Bring up Soudin's atrocity victims☐ [REDACTED] Re E.L.C. for
4-79 Round. * [REDACTED] turned down☐ Meeting w/ Board w/ [REDACTED] -[REDACTED] - met w/ him all day
- Social Security available☐ Call to stop piece about
woman killed in Ambush. (Spicer)

UNCLASSIFIED

1/26/87

Chapter

e 213

2-213

UNCLASSIFIED 30 Jan 85

Q 1555

☐ Atty. at

88/12/1

☐ Reviewer w/ [REDACTED] OFFICE [REDACTED]

- E.U.C. - 5000 N-79 Rhs.
- Denance Aberrities Disinformation
- Private Atty w/ [REDACTED]

(4514)

UNCLASSIFIED

2-214

See Hearing Exhibit CG-68

Chapter

216

2-216

UNCLASSIFIED

2 Jan 85

0 0932

- ☐ Disc w/ Rob Owen
- John Hull - Owen out
 - Larry Spivey.

3 Jan 85☐ New Staff Mtg

- 224. mtg w/ Republican/Democratic Congressional leadership
- Re: on Mr. Reagan
- ~~Condy~~ Avo to Mr. Residence

LT Gail from [redacted] Re Owen

- wants to be you to be in union w/

- Pedro Juan Chaves & Cruz
- United Front - Political/Military
- Chaves - had issues re platform
- ~~not~~ - a fuel issue

UNCLASSIFIED

(4515)

2-236

See Hearing Exhibit OLN-181

2-248

See Hearing Exhibit CG066

2-260

CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED

2-265

CALEND ACCOUNTS
REFERENCE BANK TRANSACTIONS
(EXCLUDES BANK CHARGES, INTEREST, AND CDS)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
09-30-86		99,937.50	739,937.50CR	
10-03-86		149,906.25	889,843.75CR	
12-01-86		74,953.12	964,796.87CR	
01-19-87		79,950.00	1,044,746.87CR	
Reference Bank				
03-29-84		400.00	400.00	
Reference Bank				
05-25-84		1,600.00	1,600.00	
Reference Bank				
08-21-84		1,681.85	1,681.85	
Reference Bank				
05-10-83		5,000.00	5,000.00CR	
11-07-83		9,900.00	14,900.00CR	

45/10

UNCLASSIFIED

Chapter 2
1-265-265 324

UNCLASSIFIED

CALERO ACCOUNTS
 REFERENCE BANK TRANSACTIONS
 (Excludes Bank Charges, Interest, and CDs)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
11-08-83			100.00	15,000.00CR
01-23-84			9,500.00	24,500.000001
01-24-84			500.00	25,000.00CR
07-06-84			1,000,000.00	1,025,000.00CR
08-03-84			1,000,000.00	2,025,000.00CR
09-04-84			1,000,000.00	3,025,000.00CR
10-10-84			1,000,000.00	4,025,000.00CR
10-10-84			500.00	4,025,500.00CR
10-15-84				4,000,507.75CR
10-17-84				3,906,507.75CR
11-06-84			1,000,000.00	4,906,507.75CR
11-20-84			3,000.00	4,909,507.75CR
12-04-84			1,000,000.00	5,909,507.75CR
01-02-85			1,000,000.00	6,909,507.75CR
01-04-85				6,859,507.75CR

4H

UNCLASSIFIED

UNCLASSIFIED

CALERO ACCOUNTS
REFERENCE BANK TRANSACTIONS
(Excludes Bank Charges, Interest, and CDs)

Report Date: 6-04-87

Date	Source Bank	Receipts from	Disbursements to	Account Balance
02-07-85			1,000,000.00	7,859,507.75CR
02-11-85		50,000.00		7,809,507.75CR
02-14-85		50,000.00		7,759,507.75CR
02-27-85			5,000,000.00	12,759,507.75CR
03-07-85			4,000,000.00	16,759,507.75CR
03-15-85			7,500,000.00	24,259,507.75CR
03-25-85			7,500,000.00	31,759,507.75CR
03-26-85		530.13		31,758,977.62CR
04-26-85		17,036.00		31,741,947.62CR
07-01-85			50,000.00	31,791,947.62CR
07-11-85			50.00	31,791,997.62CR
08-22-85			25.00	31,792,022.62CR
01-17-86			26,768.00	31,818,790.62CR
01-17-86			29,968.00	31,848,758.62CR
01-27-86			50,000.00	31,898,758.62CR

UNCLASSIFIED

UNCLASSIFIED

Chapter 2, Footnote 270

THE SECRETARY OF DEFENSE

SYSTEM 11
90012

WASHINGTON THE DISTRICT OF COLUMBIA

N
3 JAN 1985

6495

MEMORANDUM FOR ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS

2-270

SUBJECT: U.S. Policy Toward Nicaragua (U)

(2) I believe it urgent that we update our policy toward Nicaragua. In particular, when Congress returns, we will have to address the problem of funding for the Freedom Fighters.

(3) So far as I know, your four objectives for Nicaragua (established by NSDD 124) are still fully valid:

- genuine implementation of democracy;
- verified end to export of subversion;
- verified removal of Cuban/Soviet bloc personnel; and
- verified reduction of Nicaraguan military forces to regional parity.

(4) There seems to be no prospect of accomplishing these objectives without improved assistance to the Freedom Fighters. This calls for planning to generate the requisite Congressional approval. We may wish to consider mixtures of support: overt and "covert"; direct and indirect through third countries, for example; political, humanitarian, and military. The Joint Chiefs of Staff share my view that our support for the resistance to the Sandinistas must continue and also that we must bring our political, diplomatic, and economic strength to bear.

(5) I recommend that you have an NSPG meeting scheduled, as soon as possible in January, to develop an updated approach toward Nicaragua, with particular focus on an effective approach to Congress.

cc: Chairman, JCS

CLASSIFIED BY: DIR, IA RGN
DECLASSIFY ON: OADR**UNCLASSIFIED**
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4517

BKD, 12-12-8
FBI NS 42

UNCLASSIFIED

2 PAGES

N 6496 thru N 6497

Chapter 2, Footnote 270.

Non Relevant

UNCLASSIFIED

UNCLASSIFIED

2-271

~~TOP SECRET~~OPTIONS AND LEGISLATIVE STRATEGY FOR RENEWING
AID TO THE NICARAGUAN RESISTANCE

N 45086

Current Situation

Section 8066 of the FY 1985 Continuing Resolution (P.L. 93-473) specifically prohibits until February 28, 1985, the use of any CIA, DOD, or other intelligence agency's funds for the purpose or which would have the effect of supporting directly or indirectly military or paramilitary operations in Nicaragua. After February 28, 1985, this funding prohibition ceases to apply, but only if two conditions are met:

- the President transmits to Congress a report describing Nicaraguan government support for guerrillas in other Central American countries, justifying amounts and types of assistance proposed and how such assistance would further U.S. policy goals in Central America;
- Congress adopts a joint resolution expressly approving the use of funds for supporting military or paramilitary operations in Nicaragua.

If both these criteria obtain, the Continuing Resolution permits up to \$14 million in appropriated funds to be used for the resistance program. The law states that expedited procedures will apply for considering a joint resolution authorizing the expenditure. Such a joint resolution would be initially referred to the Appropriations Committees.

Because of the expedited procedures and the jurisdictional issue of an intelligence issue being moved quickly through the Appropriations Committees, we should carefully consider the timing of a report to the Congress. In short, we should seek to work out our best options before submitting the report required by Section 8066.

Since the Continuing Resolution requires, in effect, that Congress pass a new law in order to permit use of the appropriated FY 1985 monies, that new law need not conform precisely to the terms of the Continuing Resolution. Congress could, in enacting this new legislation, add any number of limitations or conditions and then make clear that the new legislation was intended to satisfy (or to supersede) the requirements of the Continuing Resolution. We could, in effect, create a "Clark Amendment" for Central America, if we do not handle the legislative relationship very carefully in consulting on our options.

UNCLASSIFIED

(2189)

~~TOP SECRET~~

Partially Declassified/Released on 10/10/87
under provisions of E.O. 12356
by B. Peter, Acting General Counsel

UNCLASSIFIED

~~TOP SECRET~~

2

Options

N 45087

A. USG Solicitation of Third Country Support

Although the Continuing Resolution addresses only the use of appropriated funds, CIA has interpreted the statutory language against "indirect" support as prohibiting contact with third countries which might be willing to fund/assist resistance activities. The CIA has, therefore, forbidden their employees from soliciting/requesting third country support, since it could be argued that funds appropriated for CIA salaries were being used in a manner that would have the effect of indirectly supporting paramilitary operations in Nicaragua. The CIA's concern is heightened by two considerations:

- First, the Intelligence Committees were informed, after U.S. funding was exhausted last June, that as a matter of policy the Agency was not soliciting third country funding. State has responded to similar queries from the Foreign Affairs/Relations Committees that the Department has made no such overtures.
- Second, Executive Order 12333 on intelligence activities provides that "no agency of the Intelligence Community shall request any person to undertake activities forbidden by this Order." While it is anomalous to read this prohibition so literally that it prevents the Agency from requesting third countries to undertake activities not addressed in the Executive Order, but otherwise forbidden to the CIA, this constraint none the less prevails.

It is very possible that this problem could be overcome by a careful record of consultation with the concerned committees of Congress (Intelligence and Appropriations). No new legislation or formal amendment to the Executive Order would be required. It should also be noted that the existing Presidential Finding (under which the U.S. program operated until FY 1984 funding was exhausted) specifically provided that our support to resistance groups would be provided both unilaterally "and in cooperation with other governments." Congress never objected to this aspect of the program.

The single greatest drawback to this option is that a "third-country" support program for the resistance leaves us with almost no leverage over resistance activities or an ability to assure the humane prosecution of the war. It may also perpetuate problems [REDACTED] if they perceive that we have "walked away" from the problem.

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UNCLASSIFIED

~~TOP SECRET~~

3

N 45088

B. Restore the Original Comprehensive Program

Under this option, we would submit a report seeking to justify the removal of the prohibitions in Section 8066 of the Continuing Resolution and restoration of the program that existed up until last year's funds were exhausted. This would allow us to provide arms and munitions, as well as training and advice, by U.S. citizens who would be forbidden to enter Nicaragua. In order to achieve Congressional approval for this option, we could agree to a number of specific constraints on the level and type of operational involvement for CIA personnel/employees. We could, for instance, accept prohibitions on the use of CIA assets (aircraft, boats, etc.); restrictions on numbers of personnel; or limits on training/operational guidance or technical assistance we could provide to the fighters. This alternative has the advantage of maximum flexibility, program effectiveness, and control over resistance activities. The disadvantage is that this would require direct reversal of a series of House votes in which the program has been rejected by decisive majorities.

C. Limited "Non-Lethal" U.S. Support with Third Country Assistance

This alternative calls for us to submit a report justifying a "new" program excluding the most controversial aspects of the original program--direct support by U.S. nationals and lethal military equipment and supplies. "Lethal" assistance (munitions, ordnance, etc.) would, in this case, be provided by third countries. In its simplest form, U.S. support could be limited to cash grants which would be used only for specified "non-lethal" purposes, such as public affairs/political action, travel and transportation, food, clothing, shelter, etc., with provision for periodic audit. While it would be preferable to have authority for the U.S. to provide advice, training, management assistance, and intelligence, we could indeed leave these to third countries, with the understanding that the USG would coordinate with these countries as under the present Finding. A new Presidential Finding should be developed in that it will be tactically useful in building support with members of Congress.

The advantage of this option is that it could be presented as a new approach, not requiring opponents of the old program to reverse their previous votes. Cash transfers could be publicly acknowledged or executed covertly. While a legislated mandate to limit us to overt "humanitarian" assistance (e.g., aid to refugees) would not affect the basic legislative approach, any publicly acknowledged program will have an adverse impact

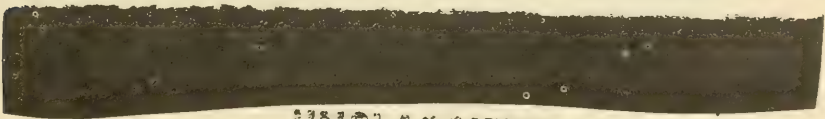
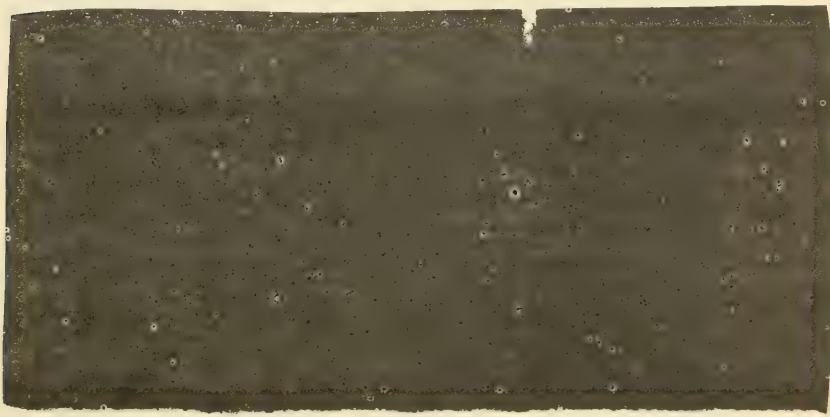
~~UNCLASSIFIED~~~~TOP SECRET~~

4

N 45089

D. Defer legislation and seek only clarification of authority to encourage third-country support

In this option, we would postpone a definitive vote by Congress on whether or not the USG can provide support to the Nicaraguan resistance. Instead of an "up or down" vote on the program, we would seek to maintain the viability of the Nicaraguan resistance by encouraging only third country support. This would require careful consultation with Congress to assure that we would not be subject to charges of circumventing or violating the statutory prohibition. We would, thereby, leave open the possibility of a new funding request until later in FY 1985--perhaps even waiting until the current prohibitions in Section 8066 of the Continuing Resolution expire on October 1, 1985. The major drawbacks for this option are lack of credibility in influencing Sandinista behavior through pressure and the uncertainty of continued support to the resistance from current sources until the end of the fiscal year.

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~~TOP SECRET~~~~TOP SECRET~~

5

N 45090

F. Provide Funding through a "Collective Security" Type Organization

In this case, funds to support resistance activities could be appropriated by the Congress for disbursement through an already existing or newly created international organization. CONDECA, the collective security organization of the Central American states, could serve as such a body. U.S. monies could be given directly to CONDECA (or like entity), as in the case of the Organization of Eastern Caribbean States (OECS), or funds provided to participating countries could be earmarked for use only with CONDECA-authorized activities.

In order for this to work as a funding mechanism for the resistance, there would have to be unanimous agreement among the participating states [REDACTED]

[REDACTED] that a certain portion of the funds made available to CONDECA would be transferred (either as financial aid or in materiel) to the freedom fighters. This agreement and the transfer could be either overt or covert. It would seem that the Congress or at least certain members would have to be witting of the internal CONDECA arrangement.

The advantage of this proposal lies in the attractiveness of "collective security" type arrangements within the Congress. They may be more willing to view funding through an international organization, such as CONDECA, as an acceptable "overt" mechanism for supporting the resistance. The principal disadvantages of this proposal are in the length of time it would take to establish such a program and the lack of control over the international body in their support to the resistance. Any public confirmation that CONDECA was providing such support would undoubtedly make the situation for [REDACTED] even more difficult than it already is. It would, therefore, be best to try such an option with CIA funding rather than through the security assistance process.

Timing

Although the law specifies that the President can submit a report at the end of February and thereby trigger the expedited procedures for a vote by both houses, we should weigh the advantages of delayed action. The Congress will also be considering several

~~TOP SECRET~~~~TOP SECRET~~

UNCLASSIFIED

~~TOP SECRET~~

6

N 45091

other issues of extraordinary import to the Administration in the months ahead:

<u>Issue</u>	<u>Timeframe</u>
MX	March
Saudi-Pak Arms Packages and Overall Security Assistance	May-June
President's Budget	May-June
Federal Deficit	June-July
Arms Control Debate	July-August

Past experience has shown that opponents of the resistance program are likely to use the simultaneous presentation of two important legislative issues to their advantage. We, therefore, need to deny them an opportunity to "trade" the resistance program for MX or some other vital Administration initiative. Given the crowded legislative calendar we should probably seek to forward a report to the Congress at the end of March, seeking a vote by both houses during April. This timing will also track well with major political action and public-diplomacy initiatives which will peak in mid-March.

Identification of the Threat

Past focus and the current Finding identify at the Sandinistas as the principal threat to regional stability. We have likewise proclaimed FSIN internal repression within Nicaragua as an important reason for funding the resistance. Despite the accuracy of this rationale, we have:

- failed to make the case that the Sandnistas are indeed a sufficient threat to our national security that justifies a major covert action/paramilitary program; and
- created anxieties in the Congress that in order to redress internal repression through resistance pressure, we, in fact, are attempting the overthrow of the current Nicaraguan government. Since this is specifically forbidden by law, we have actually lost ground in the Congress by emphasizing the "democratization"/OAS promises issue.

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7

N 45092

we would find better support for the Nicaraguan resistance, if we identify the Soviets, Cubans, Bulgarians, East Germans, and North Koreans--and their intervention in this hemisphere--as the principal problem in Central America, rather than the Sandinistas. In order to focus on the threat posed by the Soviets and their surrogates, a major effort must be launched to collect and disseminate information regarding this extra-hemispheric involvement in Nicaragua. By so doing, we would re-orient the thinking in Congress and in the American body politic that support for the resistance is essential to preventing a Soviet client state on the mainland of this hemisphere.

Funding Level Requested

Previous requests for funding have been limited

This, in and of itself, tends to create a mind set in the Congress that the threat to our security is not as great as we have articulated. In 1982, we spent less than \$13M on the Nicaraguan resistance program. The 1983 level of \$24M was duplicated in our FY 1984 request. For 1985, we limited the request to \$14M, thinking that this amount would be more palatable to the Congress.

If indeed our re-oriented threat is to be credible, we should consider a significant increase in the amount being requested for the program. A figure closer to \$100M would indicate to the Congress the urgency of the situation and our concerted belief that an adequately funded resistance force could provide sufficient pressure to deter further Soviet/surrogate encroachment in the region.

Summary

Informal liaison among State, OSD, CIA, JCS, and NSC indicates that we should pursue the following course of action:

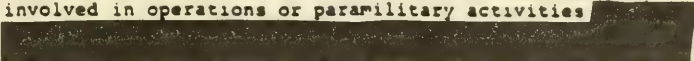
- We should move immediately to re-orient the perceived threat from the Sandinistas to focus on risks posed to U.S. security by the active involvement of the Soviet Union and its surrogates in establishing a client state in Nicaragua.
- We should press for Option C (non-lethal U.S. support with third country assistance). In so doing, we should seek authority to have the U.S. provide intelligence, training support, and a significant level (\$90-100M) of financial assistance limited to the acquisition of non-lethal materiel, transportation, and political action. Lethal support would be provided through third country financial assistance and direct provision of arms and ammunition.

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- We would agree that no U.S. personnel could be directly involved in operations or paramilitary activities

- The report required by Section 8066 of the Continuing Resolution should be submitted at the end of March (after the MX vote).
- A White House legislative coordinator (similar to the AWACS effort for Saudi Arabia) should be appointed and charged with the sole responsibility for managing the Congressional presentation on this issue.

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SUBJECT: Targeting

Stark just showed me a copy of the new proposed target list, citing (which I thought Gabriel said would be hit as a matter of course) as a first priority. I don't think this is acceptable. Also, I don't see the logic in striking

It would seem to me the reverse sequence should be followed, both with regard to the what device would you like us to use to get greater clarity on this? Also, the Saudi arms sales issue was supposedly discussed at an LSG last week. Do you know where this stands? Is the next step that of Bud speaking to Bandar?

MSG FROM: NSDRF --CPUA
To: NSRCH --CPUA

TO: NSRCH --CPUA

01/22/85 12:27:21

-- SECRET --

NOTE FROM: DONALD R. FORTIER

SUBJECT: Contra Project

Ollie just debriefed me on your trip. When I met with Hamilton and Fapcell (which will be later this week, unless you see a reason for me to postpone) I would like to begin by saying you wanted me to give them the benefit of certain observations you drew on the basis of your recent talks in the region. Then I would stress the unanimity of view on the growing Sandinista challenge; the skepticism over successful negotiation in the absence of pressure; the willingness of regional leaders to begin providing quiet support for the Contras; and the overwhelming belief that in some way the US has to get back in the game. Beyond that, I will for now simply confine myself to taking soundings (following the outline I gave you of my talks with Durenberger). At some point soon, however, we need to decide more clearly what and result we want to steer the consultations toward. I still like the option, if it can be made to work.

Ollie believes we need to flag the possible option of a finding permitting us to seek third country support. John and I are both uneasy about raising this. Finally, at the right moment, it will be important to find some mechanism for bringing key Hill leaders together with regional leaders to hear first hand what walking away from the Contras would mean. When I had lunch with Lager's chief of staff the other day on the structure of the Senate hearings, he said this would be the single most effective action we could take. Let me know if this is not how you want me to proceed.

cc: NSJMP --CPUA

Partially Declassified/Released on 12 July 1987

Under Provision: E.O. 12356

By: B. Reiss, National Security Council

Indexer
Exhibit #25
3190
6/17/87 moa

2-272 ^{Footnote 272}**UNCLASSIFIED**

MEMORANDUM

SYSTEM IV
NSC/ICS-400053

NATIONAL SECURITY COUNCIL

~~TOP SECRET~~

January 15, 1985

N 45025

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Nicaragua Options

Partially Declassified/Released on July 18, 1987
Under Provision of E.O. 12356
By B. Peter, National Security Council

Attached at Tab I is a paper which proffers policy options for Nicaragua. The basic paper and its attachments (Tabs A thru H) provide a detailed assessment of the current situation and various alternatives which we can pursue during the second Administration. In short, the paper concludes that the most prudent course of action, given the threat we face from the Soviets and their surrogates in Central America, is to seek Congressional approval for resuming our support to the Nicaraguan resistance.

Tabs A thru D describe the growing Soviet bloc relationship with the FSLN and its increasing status as a Marxist-Leninist client state. Tabs E and F provide a detailed analysis of the resistance movement and options for restoring U.S. assistance. Tabs G and H outline additional activities (economic sanctions and political action) which could supplement a revitalized resistance program.

One of the most important issues on this trip is to determine what type of support to the resistance is most palatable to our friends in the region. Don Fortier is pursuing the same strategy with the leadership in Congress. Thus, Tab F (Options and Legislative Strategy) is particularly important as background for your meetings with Heads of State in the region. You should be aware that there is growing sentiment in the Congress for some type of "overt" support to the resistance--an alternative that is undoubtedly most unpalatable to [REDACTED]

RECOMMENDATION

That you skim the attached notebook and review in detail Tab F, using the options provided in your discussions with Heads of State.

Approve. 

Disapprove _____

Attachment

Tab I - Nicaragua Options Notebook
Tabs A thru H~~TOP SECRET~~
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2-272 to 273

Fictitious
272, 273**UNCLASSIFIED**SYSTEM 1
NSC/ICS-400053~~SECRET~~POLICY OPTIONS FOR NICARAGUABackground

N 45027

In 1979, the Sandinista Revolutionary Liberation Front (FSLN), in alliance with moderate non-Marxist opposition groups, capitalized on legitimate popular dissent to overthrow the Somoza government. In the five years since the revolution, the moderate allies of the FSLN have been expelled from the government and the FSLN has established effective control of the media, educational system, military, and security apparatus. In fact, the Nicaraguan revolution has moved steadily through most of the successive steps of a Marxist-Leninist revolutionary as taught at the Soviet Union's Higher Comsomul School for the Training of Non-Bloc Communists Cadre (Tab A).

The Sandinitas have created Marxist labor organizations and an alternative "popular" church. Fraudulent elections, accompanied by massive international propaganda, were engineered to validate FSLN hegemony as the "vanguard" party over the internal political process. A massive Soviet bloc military build-up is underway (Tab B) and repression of the remaining internal opposition has recently increased. Thus, most of the steps in establishing a Marxist-Leninist state have been accomplished..

The final consolidation of the FSLN as the state party in a Marxist-Leninist society is in process (Tab C). Once this consolidation has been completed, those antagonistic to U.S. security goals, particularly the Soviet Union and Cuba, will have a secure base on the mainland of the Americas from which to promote subversion of neighboring states, a sine qua non of all Marxist-Leninist states. The successful spread of Marxist-Leninist governments in Central America, allied with adversaries of the United States, represents a genuine long-term threat to political stability in the Americas, and over time poses a strategic threat to the United States.

Options:

Given the premise outlined above, there appear to be three policy options open to the U.S. Government:

A. A negotiated solution which acquiesces to the existence of a Marxist-Leninist Nicaraguan state in return for assurances that that state would not pursue a policy of exporting revolution.

B. A resumption of U.S. support to the Nicaraguan opposition--both armed and unarmed--in order to prevent the consolidation of a Marxist-Leninist state allied with the USSR and to establish in its stead a truly Democratic and pluralistic government.

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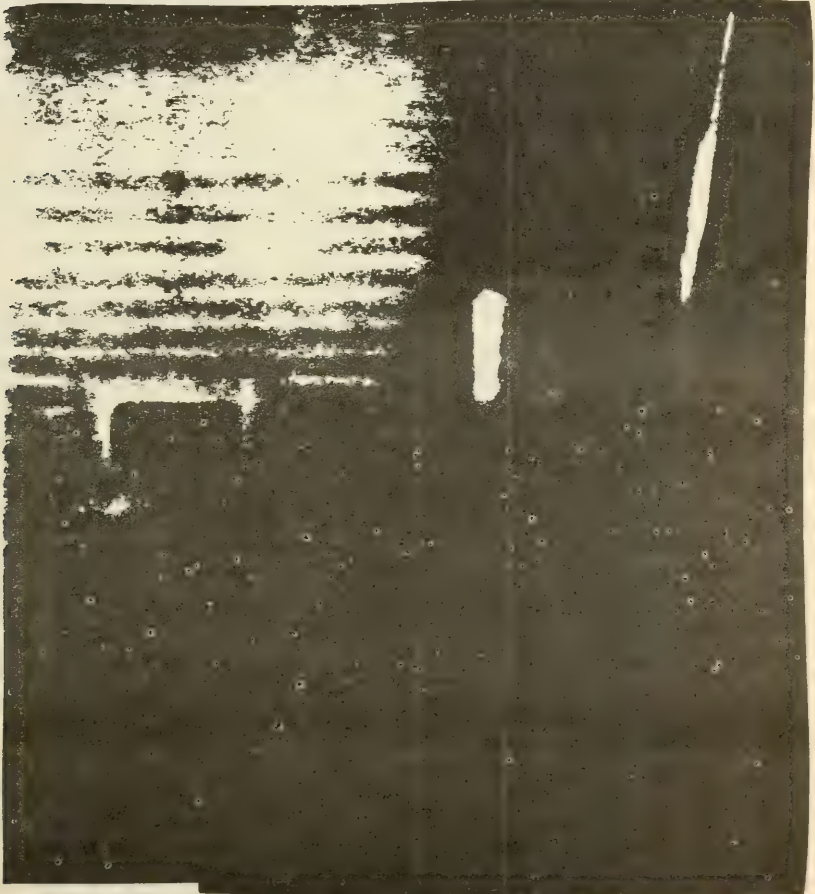
Partially Declassified / Ref: 550 on 10/17/92
Under Provision: E.O. 12356
By: B. Peters, 40104 Jernigan Council

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C. The use of military force by the United States to prevent the establishment of a Marxist-Leninist state in Nicaragua and replace it with a pluralistic democratic government. 5028

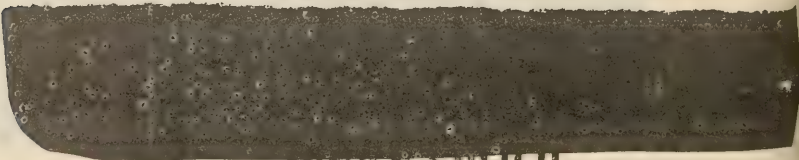
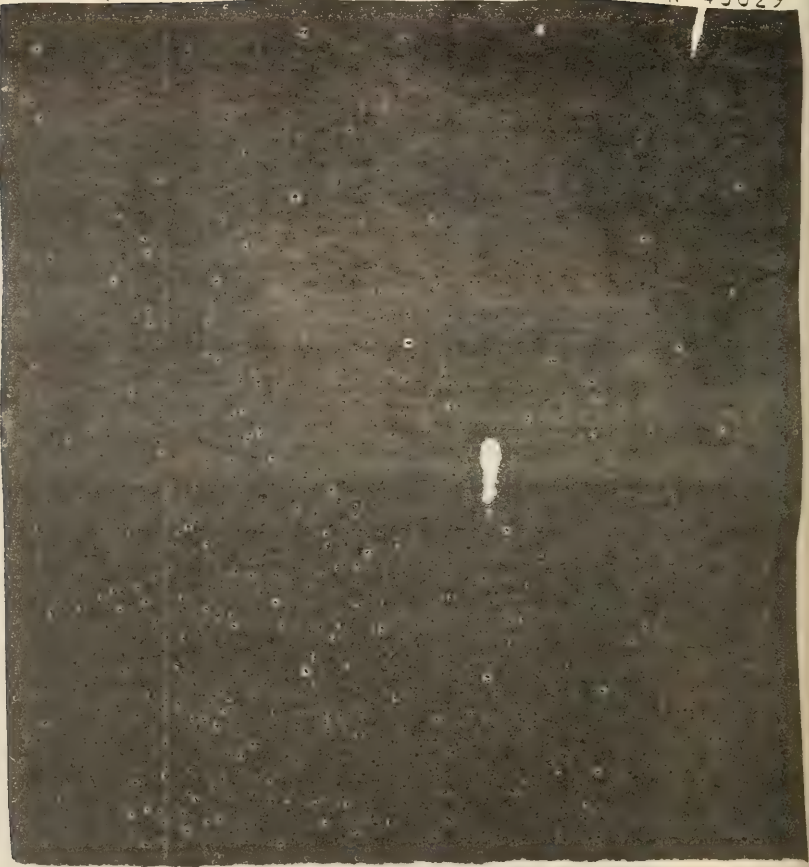
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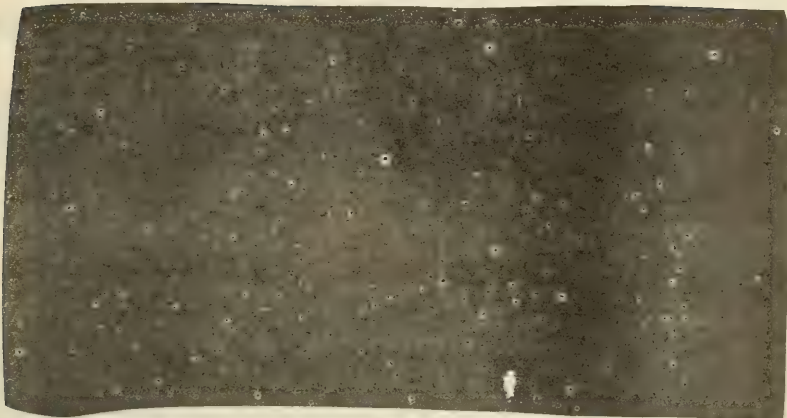
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4

Conclusions.

- The FSLN regime in Managua is Marxist-Leninist in character and is in the latter stages of consolidating absolute control in Nicaragua. The Sandinista leadership is allied with the foreign policy objectives of the Soviet Union and Cuba and is increasingly supported by the Soviet Union in a bloc/client relationship.
- The presence of a Marxist-Leninist state in Central America is an unacceptable threat to regional stability and long term U.S. strategic interests.
- If the consolidation of a Soviet client state is to be prevented, decisive action must be initiated within the next few months. The weight of the evidence argues strongly in favor of a major campaign to restore support for the democratic resistance forces. Their military operations must be designed to prevent the consolidation of a Marxist-Leninist FSLN government in Nicaragua. Since the process of consolidation is in the advanced stages, arresting and reversing that process will be difficult. The longer a delay in initiation of such an effort, the less likely is success and the more costly the consequences.

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2-274

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5

SENSITIVE

N 45036

1985 - 1986

In less than three years (1982-Present), the Nicaraguan resistance has grown from less than [REDACTED] to more than [REDACTED]. While this growth would probably not have been accomplished without U.S. support and advice, it is important to note that the Nicaraguan Freedom Fighters are not a creation of this Administration.

[REDACTED] we underestimated, to an extent, the degree of popular acceptance the FDN would enjoy in its operating areas. While this popular support developed slowly and was undoubtedly enhanced by FSLN mistakes and repressive policies, it has become an important factor in the ability of the FDN to continue to operate following the June 1984 cut-off of CIA funding. For example, since USG funds were exhausted, FDN troop strength has increased by more than [REDACTED] combatants. Indeed, ralliers to the FDN continue to surpass the capability to provide arms, provisions, and training.

(TS)

The cut-off in U.S. funding has, to date, had little effect on the determination of the FDN to continue its struggle against the FSLN. It is obvious from discussions with resistance leaders [REDACTED] supportive government officials in El Salvador, Honduras, and [REDACTED] that an expectation of resumed U.S. funding is an important factor in their will to continue the armed struggle. It also appears that resources available to the resistance from sympathetic government(s) and/or individuals will permit current small-scale operations to continue for at least another 6 to 9 months. A resumption of USG funding or additional alternative resources would be essential in order to bring the scale of activity to that which existed in the Spring of 1984 and, over time, to prevent an erosion of the will and determination of the FDN combatants. (S)

We are, at this point, at an important benchmark in our efforts to achieve the goals outlined in the San Jose Accord and the Contadora 21 Objectives. There is now a solid framework which could lead to peace in Central America and the dismantling of a potential Soviet/Cuban base on the hemispheric mainland. [REDACTED]

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Page 5 only

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SENSITIVE

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SENSITIVE

MEMORANDUM

UNCLASSIFIED
 NATIONAL SECURITY COUNCIL

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January 28, 1985

Chapter 2
 Footnote 275

ACTION

2-275

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Nicaraguan SNIE

Attached at Tab I is a purloined copy of a portion of the INR input to CIA for the forthcoming SNIE on Nicaragua. Please protect that we have a copy in that only intelligence analysts have the draft inputs available.

In response to your questions on the note at Tab II, additional points are preferred for your use. The following comments pertain to the marginal notations on the State draft at Tab I:

Note A:

Note B:

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H 32824

Notes C and D:



Note E: Much depends in this comment on the definition of "short term." Those knowledgeable of current resistance activities and operations believe that with adequate support the resistance could be in Managua by the end of 1985. The paper at Tab C applies.

RECOMMENDATION

That you discuss the attached draft INR input with Bud and ask him to determine, with Secretary Shultz, the rationale for State Department's views.

Approve _____

Disapprove _____

Attachments

- Tab I - INR draft input for forthcoming Nicaragua SNIE
- Tab II - Poindexter Note to North of January 26, 1985
- Tab A - FSLN Background Piece

Tab C - The Future of the Nicaraguan Resistance

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ROUTING

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292 294

To	Name and Address	Date	Initials
1	Robert McFarlane	5/17	W
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5			
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XX ACTION	FILE
APPROVAL	INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE

REMARKS.
cc: Oliver North (#2 and 3)
Jim Radzinski (#4)

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2-290

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400258

N 7127

March 15, 1985

~~SECRET~~EYES ONLYACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH


SUBJECT: Meeting with Arturo Cruz

In accord with your instructions relayed through VADM Poindexter, I met with Arturo Cruz on the afternoon of March 12, to discuss his funding



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He specifically asked if there was which would provide funds commensurate with his earning capabilities were he not engaged in the resistance effort. He noted that his annual salary prior this involvement was in excess of \$7,500 per month.

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2

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N 7128

Unless otherwise directed, I will proceed as follows:

- Adolfo Calero will deposit \$6,250 per month in Cruz' checking account without Cruz' knowledge. Calero will be aware that he is funding Cruz. The CIA will not be told of the new source for Cruz' funds.
- Contact will be established with a legitimate publisher or foundation to assume Calero's role as soon as possible. Cruz will be asked to sign a normal business contract with this publisher or foundation.

RECOMMENDATION

That you authorize me to proceed as indicated above.

Approve

OCM

Disapprove

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2-291

2 PAGES

N 6418 AND 6419

CHAPTER 2, FOOTNOTE 291

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	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
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REMARKS
cc: Oliver North (#2 and 3)
Jim Radzinski (#4)

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2-292

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MEMORANDUM

NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400258

N 7127

March 15, 1985

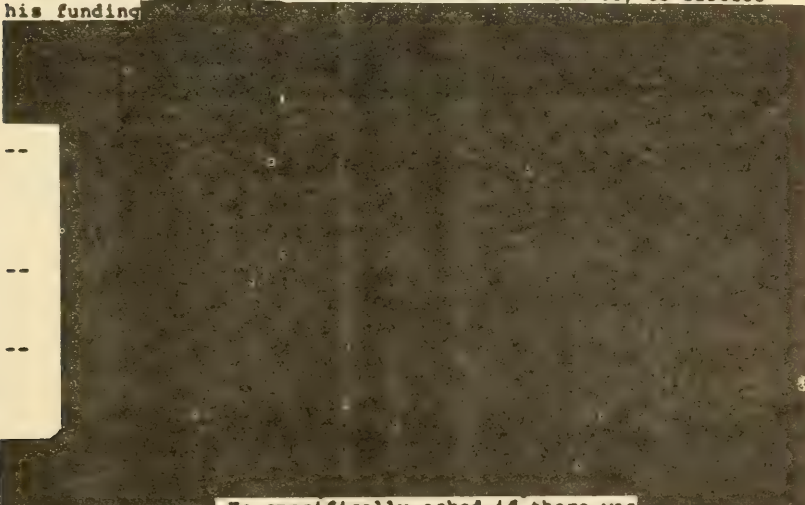
~~SECRET~~EYES ONLYACTION

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EYES ONLY

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RECOMMENDATION

That you authorize me to proceed as indicated above.

Approve



Disapprove

~~SECRET~~**UNCLASSIFIED**EYES ONLY

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2-293

2 PAGES

N 6418 AND 6419

CHAPTER 2, FOOTNOTE 291

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	APPROVAL	INFORMATION
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REMARKS.

cc: Oliver North (#2 and 3)
Jim Radzinski (#4)

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

SYSTEM IV
NSC/ICS-400258

N 7127

March 15, 1985

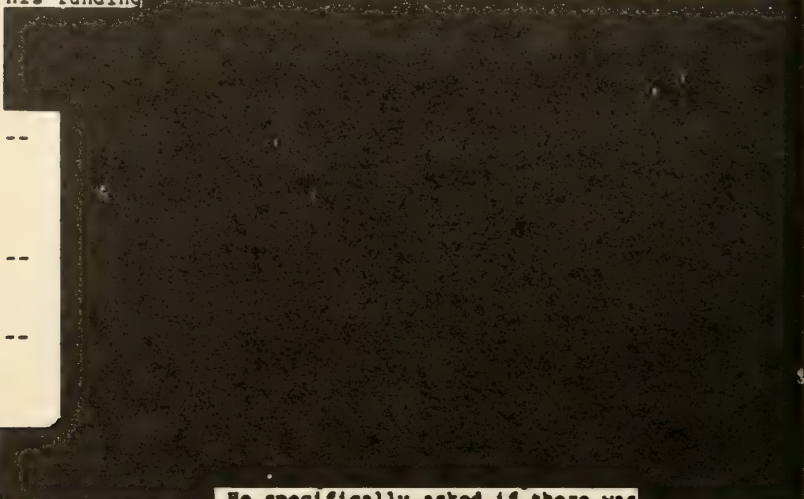
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MEMORANDUM FOR ROBERT C. MCFARLANE

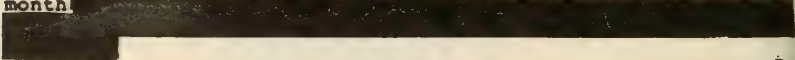
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EYES ONLY

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RECOMMENDATION

That you authorize me to proceed as indicated above.

Approve *RCM*

Disapprove _____

~~SECRET~~**UNCLASSIFIED**EYES ONLY

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S. 1001 Outside Support to the FDN

Chapter 2, Footnote 302

C 2470

1. Since the cutoff of official funds to the anti-Sandinistas in May 1984 they have been able to field a viable guerrilla fighting force, have increased their numbers, and improved their tactical efficiency. It is estimated that to maintain the level of activity that they have it would cost an estimated one half to two million dollars per month. However, no intelligence on the source of this money, but that it comes from private groups, and possibly some business corporations.

2-302

2. [REDACTED] offered [REDACTED] to provide end-user certificates for any munitions the FDN wanted to buy.

[REDACTED] issued end-user certificates for some U.S. \$10 million in ordnance. It is not clear, however, whether the ordnance has already been purchased or if [REDACTED] have made these certificates available for use when needed, and when funds are available. For some time a Cuban/American group has been involved in fund-raising activities (telethons in Miami) for the FRS in the south. It is not known if any of this money makes its way to the FDN. Cuban American doctors from Miami have volunteered their services on weekends to tend to the FDN wounded.

3 In addition to the above, the FDN has received periodic assistance from the Civilian Military Assistance Group (CMA) in Alabama, consisting of web-gear, uniforms, canteens, tents, and training. A helicopter with a CMA pilot was shot down in September 1984.

SUPPORT BY COUNTRY

End-user certificates; [REDACTED]

End-user certificates for U.S. \$10 million in ordnance

U.S. private groups only, CMA, Cuban/American, own amounts only.

sale of "Blowpipe" missiles to FDN all through

Alleged sale of weapons to FRS; not confirmed.

4. We have no information on the source of the funds used by the FDN to acquire arms or munitions. We believe the FDN is inclined to hold this information close. FDN leaders fear that, if the information should become public, the source of the funds would dry up.

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Chapter 2, Formate 307

March 20, 1985

2-307

CHRONOLOGICAL EVENT CHECKLISTFebruary 21-28, 1985 (completed)

<u>Event</u>	<u>Responsibility</u>
Send resource book on the Contadora process process to congressmen, media outlets, private organizations and individuals interested in Nicaragua.	State/LPD (Miller)
FDN to select articulate freedom fighters with proven combat records and to make them available for contact with U.S. media representatives.	NSC (North)
Assign U.S. intelligence agencies to research, report, and clear for public release Sandinista military actions violating Geneva Convention/civilized standards of warfare.	NSC (North) (Raymond)
Prepare themes for approaches to Congressmen based on overall listed perceptions which will directly attack the objections listed above.	NSC (North)
Encourage U.S. media reporters to meet individual FDN fighters with proven combat records and media appeal.	NSC (North) State/LPD (Gomez)
Contact internal eyewitnesses/victims to testify before Congress about their abortive attempts to deal with the FSLN (deadline March 1)	NSC (North)

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N 40321

March 1-8, 1985EventResponsibility

Prepare list of publicly and privately expressed Congressional objections to aiding resistance and voting record on the issue.

WH/LA
State/H

Provide State/H with a list of Nicaraguan emigres and freedom fighters to serve as potential witnesses to testify before hearings on aid to Nicaraguan freedom fighters (due March 15).

NSC (North)
State/ARA
(Michel)
State/LPD
(Reich)

Nicaraguan internal opposition and resistance announce unity on goals and principals (March 2, San Jose) (completed).

State/LPD
(Miller)
NSC (North)

Request that Zbigniew Brzezinski write a geopolitical paper which points out geopolitical consequences of Communist domination of Nicaragua (paper due March 20).

NSC (Menges)

Briefings on Nicaragua for key Congressional members and staffers. North on NU aggression and external involvement, Burghardt on diplomatic situation.

NSC (North)
(Burghardt)

Supervise preparation and assignment of articles directed to special interest groups at rate of one per week beginning March 18 (examples: article on Nicaraguan educational system for NEA, article by retired military for Retired Officers Association, etc.).

State/LPD

Assign agencies to draft one op-ed piece per week for signature by Administration officials. Specify themes for the op-eds and retain final editorial rights.

NSC (Menges)

Conduct public opinion poll of American attitude toward Sandinistas, freedom fighters.

WH (Rollins)

National Press Club news conference for FDN commanders Bermudez, Tigrillo, Mike Lima (March 5) (follow-on Congressional visits (March 6) (completed).

State/LPD
(Gomez)
(Kuykendall)

Martha Lida Murillo (9 yr old atrocity victim) visit to Washington--media interviews, Congressional visits, possible photo-op with First Lady (March 6-8) (completed).

State/LPD
(Gomez)
(Kuykendall)
(WH/OPL)

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N 40322

March 9-15, 1985EventResponsibility

WH/Legislative Affairs, State/H and ARA
complete list of key Congressmen interested
in Nicaragua.

State/H(Ball/Fox)
WH/LA
State/ARA
(Michel/Holwill)

Intelligence briefing for White House
Administration and senior staff by CIA
(Vickers, Room 208, OEOB, 30 minutes).

NSC (North)

Brief Presidential meeting with Lew Lehrman
and other leaders of the influence groups
working on MX and resistance funding.

NSC (Raymond)
(North)

State/LPD and WH Media Relations prepare a
list of key media outlets interested in
Central American issues, including newspapers,
radio, and TV stations (including SIN). Where
possible identify specific editors, commentators,
talk shows, and columnists.

NSC (North)
State/LPD
(Miller)

NSC update talking points on aid to Nicaraguan
freedom fighters.

NSC (North)

Briefings in OEOB for members/Senators:
Shultz, McFarlane, Gorman, and Shlaudeman to
brief Lehman (requires General Gorman to be
placed on contract).

NSC (North)
(Lehman)

Call/visit newspaper editorial boards and
give them background on the Nicaraguan
freedom fighters.

State/LPD (Reich)
WH/PA
NSC (North)

Brief OAS members in Washington and
abroad on second term goals in Central
America. Explore possible OAS action
against Nicaragua.

OAS (Middendorf)
NSC (Menges)
State/LPD (Reich)

VP at Brazilian inauguration. Discuss
possible OAS initiative on Nicaragua with
Core Four, Colombia, Brazil, and Uruguay
(March 15 and 16).

VP (Hughes)

Prepare a "Dear Colleagues" ltr for signature
by a responsible Democrat which counsels
against "negotiating" with the FSLN.

NSC (Lehman)

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N 40323

March 18-22, 1985EventResponsibility

Results due on public opinion survey to see what turns Americans against Sandinistas (March 20).

NSC (Hinckley)

Joachim Maitre--Congressional meetings, speeches, and op-ed pieces.

State/LPD
(Kuykendall)

Review and restate themes based on results of public opinion poll.

State/LPD
(Reich)
NSC (North)
(Raymond)

Presidential drop-by at briefing for American evangelicals on MX and Nicaraguan resistance.

WH/OPL (Reilly)
NSC (North)

Congressional hearings (Foreign Relations/ Affairs) and testimony by Nicaraguan emigres and atrocity victims.

WH/LA
NSC (North)
(Lehman)

Prepare document on Nicaraguan narcotics involvement.

Justice
(Mullen)

SSCI CODEL Boren, Rockefeller, McConnell, and Wilson [redacted] for meetings with resistance (March 15-19).

NSC (North)
(Lehman)

VP in Honduras; meeting with Pres Suazo (March 16).

VP (Hughes)

Argentine state visit; President emphasize need for OAS case (March 19).

WH (Elliott)

Pastor [redacted] Calero meeting with Congressional Hispanic Caucus (Jorge Mas) (March 21).

Production and distribution of La Prensa chronology of FSLN harassment.

State/LPD
(Reich)

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N 40324

March 23-31, 1985EventResponsibility

Rev. Vallardo Antonio Santeliz (Pentecostal Minister atrocity victim)--Congressional/media meetings (March 22-23).

State/LPD
(Kuykendall)
(Gomez)

McFarlane, Friedersdorf meeting with key Congressional leadership (Rm 208 or WHSR) to brief situation and proposed course of action (March 23-25).

WH/LA
NSC (Lehman)
(North)

Presidential breakfasts, lunches, and WHSR meetings with key Congressional leaders (March 24 through vote).

Pedro Juaoquin Chamorro (Editor La Prensa) U.S. media/speaking tour (March 25-April 3)

State/LPD
(Miller/Gomez)

President to meet in Room 450 w/"Spirit of Freedom," concerned citizens for Democracy. Representatives from 8 countries (180) (March 25).

Release of DOD/State paper on Soviet/Cuban/Nicaraguan intentions in the Caribbean; possible WH backgrounder.

State/LPD (Reich)
WH/PA (Sims)

Distribute Bernard Nietschmann paper on suppression of Indians by FSLN.

State/LPD

Antonio Farach (Former FSLN Intelligence Officer)--media and Congressional meetings regarding Sandinista espionage, intelligence activities.

Republican
Study
Committee

Invite President's Duarte, Monge, Suazo, and Barletta to a very private meeting in Texas with key Congressional leaders so that CODEL can hear unvarnished concerns re Sandinistas and Democratic leaders' support for them.

(Kuykendall)
NSC (North)

Release paper on Nicaraguan media manipulation.

State/LPD

Publish and distribute as State Department document Nicaragua's Development as Marxist-Leninist State by Linn Poulsen.

State/LPD
(Reich)

Declassify Nicaragua's Development as a Marxist-Leninist State by Linn Jacobowitz Poulsen for publication as State Department document (clearance request w/Casey).

State/LPD
(Blacken)

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N 40325

April 1-7, 1985EventResponsibility

Request Bernard Nietschmann to update prior paper on suppression of Indians by FSLN (to be published and distributed by April 1).

State/LPD
(Blacken)

AEI: Sponsor media events w/print and television media for Central America resistance leaders (April 1-7).

State/LPD
(Reich)
WH/OPL (Reilly)

European Parliamentary delegation to meet with President Reagan (April 2).

National Forum
Foundation
WH/OPL (Reilly)

Visit by Colombian President Betancur (April 3-4); possible Joint Session speech by Betancur.

Proposed Presidential television address on Nicaragua (April 4).

WHSpeechwriters
(Elliott)
NSC (North)

Second round of SFRC hearings on Soviet build-up in region (Helms) (prior to recess).

State/H

CODEL visits during recess (April 4-14). Nicaraguan refugee camps in Honduras and Costa Rica (include visit to freedom fighter base camp and hospital [REDACTED]).

NSC (North)
(Lehman)

CODEL visit during recess (April 4-14) with regional leaders of Central America. Regional leaders convey importance of resistance fighters in NU.

NSC (North)
(Lehman)

Administration and prominent non-USG spokesman on network shows regarding Soviet, Cuban, East German, and Libyan, Iranian connections with Sandinistas.

WH/PA (Sims)
WH (Buchanan)
State/LPD

Publicist [REDACTED] "Green Book;" distribute [REDACTED] to Congressmen, media outlets, private organizations, and individuals interested in Nicaragua. Pass to Lew Lehrman and other interested groups.

State/LPD (Reich)
WH/LA
State/H (Fox)

Distribute paper on geopolitical consequences of Communist domination of Nicaragua.

State/LPD

Release paper on Nicaraguan drug involvement.

State/LPD
(Blacken)
NSC (North)

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N 40326

April 8-14, 1985 (During recess)

<u>Event</u>	<u>Responsibility</u>
25 Central American spokesmen arrive in Miami for briefing before departing to visit Congressional districts. Along with national television commercial campaign in 45 media markets.	CFA (Abramoff)
Targeted telephone campaign begins in 120 Congressional districts. CITIZENS FOR AMERICA district activists organize phone-tree to targeted Congressional offices encouraging them to vote for aid to the freedom fighters in Nicaragua.	CFA (Abramoff)
Lew Lehrman speaking tour of major U.S. cities.	CFA
Telephone campaign.	
Central American spokesmen conduct rallies throughout the country in conjunction with CITIZENS FOR AMERICA activists (starting April 12).	CFA
Nationally coordinated sermons about aid to the freedom fighters are conducted (April 14).	
Naval Institute Seminar in Newport, RI (Lugar, McFarlane [April 12]).	

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April 18-21, 1985

<u>Event</u>	<u>Responsibility</u>
Nicaraguan Refugee Fund (NRF) dinner, Washington, DC; President as Guest of Honor (April 15).	State/LPD (Miller) NSC (Raymond)
Presidential report to Congress on reasons for releasing funds to freedom fighters (April 15).	NSC State
AAA available to Washington press.	State/LPD (Gomez)
Central American spokesmen visit Congressional offices on Capitol Hill (April 16).	Abramoff
SFRC Nicaraguan issues, open hearing (April 16-17).	
Washington conference "Central America: Resistance or Surrender" (Presidential drop-by?) (April 17).	NSC Abramoff
Barnes' subcommittee hearing on Nicaragua; Motley, public witnesses (April 18) (2170 Rayburn, 2:00 p.m.).	
Presidential Radio Address (April 20).	WH (Elliott)

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April 22-29, 1985EventResponsibility

House Appropriations (Obey subcommittee)
 intelligence brief on Central America/
 Latin America (April 23).

Obey subcommittee (panel on Central America),
 public witnesses (a.m.)/Administration
 witnesses (p.m.) (April 24).

Major rally in the Orange Bowl in Miami,
 Florida, attended by President Reagan and
 important Administration figures.
 (April 28).

Cuban American
 National
 Foundation
 State/LPD
 (Reich)

Presidential calls to key members.

WH (Friedersdorf)
 NSC (Lehman)

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N 40329

10

April 30, 1985Event

Vote in the U.S. Congress on aid to the
Nicaraguan freedom fighters (April 30).

President leaves for Europe.

Responsibility

WH (Friedersdorf)
NSC (Lehman)

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March 20, 1985

PUBLIC DIPLOMACY PRESIDENTIAL EVENTS
REGARDING NICARAGUAN RESISTANCE

N 40330

EventResponsibilityMarch 19-22, 1985

Argentine state visit; President emphasize need for OAS case (March 19).

WH (Elliott)

March 23-31, 1985

Presidential breakfasts, lunches, and WHSR meetings with key Congressional leaders (March 24 through vote).

President to meet in Room 450 w/"Spirit of Freedom," concerned citizens for Democracy. Representatives from 8 countries (180) (March 25).

April 1-7, 1985

Visit by various members of European parliaments who support the President's policies in Central America (April 2).

NSC (Raymond)
WH/OPL (Reilly)

Visit by Colombian President Betancur (April 3-4); possible Joint Session speech.

Presidential television address on budget (April 4).

WHSpeechwriters
(Elliott)

Presidential meeting with AAA.

NSC (North)

April 15-21, 1985

Conference on religious freedom; Presidential drop-by in Rm 450, OEOS.

NSC (Raymond)

Nicaraguan Refugee Fund (NRF) dinner, Washington, DC; President as Guest of Honor (April 15).

State/LPD
(Miller)
NSC (Raymond)

Presidential report to Congress on reasons for sending funds to freedom fighters (April 15).

NSC
State

Possible Presidential meeting with AAA.

NSC (North)

Possible Presidential visit with former Central American Presidents, Foreign Ministers, and Presidential candidates.

NSC (North)
S/LPD (Reich)

Presidential Radio Address (April 20).

WH (Elliott)

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EventResponsibilityApril 22-29, 1985

Proposed visit to Washington by
Presidents Monge, Duarte, and Suazo.

NSC (North)
S/ARA (Michel)

Presidential calls to key members.

WH (Friedersdorf)
NSC (Lehman)

Major rally in the Orange Bowl in Miami,
Florida, attended by President Reagan and
important Administration figures
(April 28).

Cuban American
National
Foundation

April 30, 1985

Proposed Congressional vote; President
leaves for Europe.

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Tc	Name and Address	Date	Initials
1	Robert McFarlane		
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X	ACTION	FILE
	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
	DISPATCH	SIGNATURE

REMARKS:

cc: Oliver North (#2 and 3)
 Jim Radzinski (#4)
 Don Fortier (#5)

ch 2 #311, 313

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MEMORANDUM

NATIONAL SECURITY COUNCIL

March 22, 1985

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MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
DONALD R. FORTIER

SUBJECT: Timing and the Nicaraguan Resistance Vote

Based on the advice from ADM Poindexter that we are proceeding with a vote before the President's departure for the European Summit, the schedule of events to support an affirmative vote on the resistance program has been revised. The most recent version of the chronology of events is attached at Tab A.

In order to reduce the amount of Presidential time allocated to this issue, the new schedule omits several of the events we had originally planned in the four communications/media meetings we have had with Pat Buchanan's ad hoc working group. Per ADM Poindexter's guidance the schedule continues to focus on a vote at the end of April, triggered by submission of the required report on or about April 15. A very rough draft of the report is attached at Tab B.

In addition to the events depicted on the internal chronology at Tab A, other activities in the region will continue, including military operations and political action. Like the chronology, these events are also timed to a vote at the end of April:

- planned travel by Calero, Cruz, and Robelo;
- various efforts designed to support significantly increased military operations immediately after the vote (we expect major Sandinista crossborder attacks in this timeframe--today's resupply to [redacted] from [redacted] went well); and [redacted]
- special operations against highly visible military targets in Nicaragua.

Some of these efforts are already well underway. For example, yesterday Bernardario Larios, former Sandinista Defense Minister, defected to Costa Rica and is now in Panama (you were briefed on this operation during the trip). Others, however, including actions by U.S. interests groups, are very sensitive to the timing. Next week the networks auction their air time for 15, 30, and 60 second commercials during prime viewing hours. Based on the decision to proceed with a vote at the end of April, these groups will commit nearly \$2M for commercial air time and the production of various advertising media.

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Based on the input from ADM Poindexter, the groups have been told to cast their advertising and public contacts in a general campaign focused on "support for the Nicaraguan freedom fighters." The ads, mailings, and telephone contacts will be structured in such a way that they will not define the nature of "support." Thus, if we decide to request only non-lethal funding from the Congress, the political action campaign will still be relevant.

Before Senator Durenburger delivers his planned speech on this issue at the National Press Club next Tuesday, March 26, we should give him a sense for where we are headed before he speaks. In this regard, the draft at Tab B needs to be refined--particularly the portion from pages 21-25. As you know, we have constructed (and have tacit interagency approval for) a baseline formula which does not include lethal assistance. We now need to decide what form our opening request should take:

- covert and lethal assistance with the new restrictions; or
- non-lethal aid to the resistance; or
- a request which is non-specific on lethal/non-lethal support.

It now appears that the best we can hope for is a lifting of the 8066 restrictions and the expenditure of funds provided therein for non-lethal (or humanitarian) purposes. It is possible, however, that our public education campaign between now and when the report would be submitted could change a number of votes--thus, affecting the final form of our request. Since we will not know this for certain until late in the Congressional recess, we proposed that we proceed as follows:

- Between now and April 12: refine the report and the three forms of the Presidential Determination (pages 21-25) as indicated above.
- On the morning of April 15: meet with 8-10 key Congressional leaders from both Houses and both parties to the White House for a two-hour briefing hosted by you, Secretary Shultz, and WH Chief of Staff Regan. At this meeting, the senators/members would be provided with the Gates/Gorman briefing (one hour) which covers pages 1-20 of the report. They would then be asked to read each of the three funding options (pages 21-25). Based on their input (we believe they will recommend the second alternative--non-lethal), we will append the appropriate version to the report.
- In the early afternoon of April 15: the President should meet with Cruz, Calero, and Robelo who, if necessary, will endorse the non-lethal option on the grounds that it will preserve the credibility of their March 1 San Jose Peace Offer.

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- On the evening of April 15: in his address to the Nicaraguan Refugee Fund dinner, the President will announce that he has forwarded a report to the Congress asking for renewed support to the Nicaraguan Democratic opposition. If the report is being forwarded requesting non-lethal aid, his remarks will note that the report excludes military assistance in response to the plea of the resistance leaders so that their peace overture will have a chance to work. The remarks should also include (as would this version of the report) that "other forms of support will be provided if the peace proposal is rejected." This will cover us for the resumption of CIA support once the restrictions in Section 8066 are lifted.

We believe that this scenario is workable and will result in significant Congressional support for our proposal on the Hill--with a minimum of Presidential involvement. The events outlined for April 15 are important in that they will provide a public endorsement for less than we had originally hoped for and at the same time give the Congressional leadership a sense of having participated in the formulation. It is imperative that the plan outlined above be kept very closehold since any leak could seriously compromise the effort. Thus, the President's remarks at the NRF dinner on April 15 should be prepared by Ben Elliott in a manner similar to that in which we prepared the Grenada announcements. The rest of the action plan at Tab A is designed to support the proposal above and needs your approval for implementation by the Buchanan ad hoc working group.

RECOMMENDATIONS

1. That you review the chronology at Tab A and approve these events for implementation.

Approve _____ Disapprove _____

2. That you approve the concept outlined above for events on April 15 (these are not included in the checklist at Tab A).

Approve _____ Disapprove _____

3. That you review the draft report at Tab B and approve the formulation of non-lethal and non-specific versions of the President's determination (pages 21-25).

Approve _____ Disapprove _____

Attachments

- Tab A - Chronological Event Checklist (dtd March 20, 1985)
- Tab B - Draft Report

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Chapter 2, Footnote 312
N 18785

April 1, 1985

MEMORANDUM FOR ROBERT C. MCFARLANE

2-312

FROM: DON FORTIER

SUBJECT: Contra Vote -- Delay to May

In following up on your meeting with Secretary Shultz, we have discussed the implications of a delay in the Congressional vote on contra aid until May. Obviously a number of adjustments in our approach will be necessary as a result of this slippage. These should be understood by Administration principals as soon as possible, so as to keep policy more or less coordinated.

We have considered the impact of a delay until May on the following dimensions of our policy:

1. Public perceptions of indecision. It is essential that from the beginning this delay be briefed as a response to the legislative calendar and the wishes of the Congressional leadership -- not because the votes aren't there or because we can't decide what to do. We have to underscore that we are going forward, and if anything, in the intervening period, we may want to turn the rhetorical heat up.

2. Announcement of request. Under our previous plan the content of the request would not have been announced until the same day the report was filed. But the two don't have to go together, and we'll have to look at this issue again. (The President, or Shultz, could announce what we'll ask for around the middle of the month.) By announcing the contents of the request earlier, we would have more time to rally support before actually filing.

3. San Juan offer. This will now expire before the Congressional debate even begins. Extending it can no longer be a surprise gimmick. It is not quite clear why it has to expire at all, of course, but since this date exists some act to permit an extension is necessary.

but we should consider whether we might consider stronger leadership by asking them, publicly and directly to extend. (The obvious risk: compounding the impression of hesitation on our part.) If a long extension is necessary (e.g. 60 days) we'll have to think about how to contain the adverse effects of that. In general, as the offer recedes in time we may have to rely more on the mere fact of unity between the civilian and the armed opposition, and less on their proposal.

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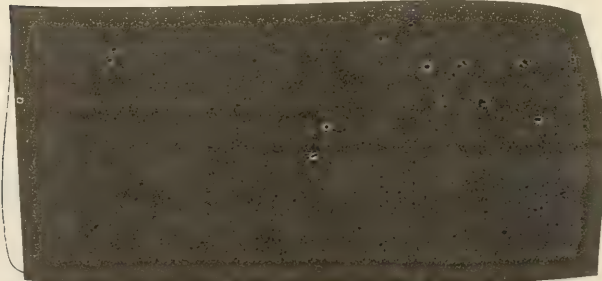
4. Content of request. If the San Juan offer is delayed for a longer period, we should consider offering assurances that the release of funds would be phased -- e.g., if the overall request is for non-lethal aid, then humanitarian aid could be permitted immediately; if the request is for lethal, then non-lethal would go right away. N 18786

5. Lethal vs. non-lethal. It had seemed advantageous to have the request for non-lethal aid only come from the contras. We should revisit this question too, particularly if we're asking them for a longer extension than they'll like. Such a request may look a little phony. We may benefit, moreover, by being able to tell Congress that the contras want -- and need -- more than we're asking. This lays the basis for a larger request later.

6. Regional repercussions. Your Inauguration week trip to the area was crucial in sustaining the patience of our friends. Since we will seem to be backing off at the last minute, one (there are probably others) step to reassure them would be another quick tour explaining our approach.

7. Contadora. A delay will also create more opportunities for the revival of regional diplomacy. If the Core Four doubt our resolve, they will likely weaken on the terms of a Contadora pact. We have to consider how to keep them wedded them to the San Juan offer as an integral part of Contadora.

8. Privately-funded P.R. Media buys have already been made on the assumption that April would be the month of the contra debate. It may still be, but the media blitz will peter out longer before the vote. We have to make clear to our private supporters that we are not abandoning them, and that they play a crucial role in putting the heat on Congress earlier. Note: If we go public with our request early, we gain the advantage that this media campaign can be specific, not just generic.



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To	Name and Address	Date	Initials
1	Robert McFarlane		
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REMARKS:

cc: Oliver North (#2 and 3)
 Jim Radzinski (#4)
 Don Fortier (#5)

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MEMORANDUM

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NATIONAL SECURITY COUNCIL

March 22, 1985

N 40317

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MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
DONALD R. FORTIER

SUBJECT: Timing and the Nicaraguan Resistance Vote

Based on the advice from ADM Poindexter that we are proceeding with a vote before the President's departure for the European Summit, the schedule of events to support an affirmative vote on the resistance program has been revised. The most recent version of the chronology of events is attached at Tab A.

In order to reduce the amount of Presidential time allocated to this issue, the new schedule omits several of the events we had originally planned in the four communications/media meetings we have had with Pat Buchanan's ad hoc working group. Per ADM Poindexter's guidance the schedule continues to focus on a vote at the end of April, triggered by submission of the required report on or about April 15. A very rough draft of the report is attached at Tab B.

In addition to the events depicted on the internal chronology at Tab A, other activities in the region will continue, including military operations and political action. Like the chronology, these events are also timed to a vote at the end of April:

- planned travel by Calero, Cruz, and Robelo;
- various efforts designed to support significantly increased military operations immediately after the vote (we expect major Sandinista crossborder attacks in this timeframe--today's resupply to [redacted] from [redacted] went well); and [redacted]
- special operations against highly visible military targets in Nicaragua.

Some of these efforts are already well underway. For example, yesterday Bernardario Larios, former Sandinista Defense Minister, defected to Costa Rica and is now in Panama (you were briefed on this operation during the trip). Others, however, including actions by U.S. interests groups, are very sensitive to the timing. Next week the networks auction their air time for 15, 30, and 60 second commercials during prime viewing hours. Based on the decision to proceed with a vote at the end of April, these groups will commit nearly \$2M for commercial air time and the production of various advertising media.

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Based on the input from ADM Poindexter, the groups have been told to cast their advertising and public contacts in a general campaign focused on "support for the Nicaraguan freedom fighters." The ads, mailings, and telephone contacts will be structured in such a way that they will not define the nature of "support." Thus, if we decide to request only non-lethal funding from the Congress, the political action campaign will still be relevant.

Before Senator Durenburger delivers his planned speech on this issue at the National Press Club next Tuesday, March 26, we should give him a sense for where we are headed before he speaks. In this regard, the draft at Tab B needs to be refined--particularly the portion from pages 21-25. As you know, we have constructed (and have tacit interagency approval for) a baseline formula which does not include lethal assistance. We now need to decide what form our opening request should take:

- covert and lethal assistance with the new restrictions; or
- non-lethal aid to the resistance; or
- a request which is non-specific on lethal/non-lethal support.

It now appears that the best we can hope for is a lifting of the 8066 restrictions and the expenditure of funds provided therein for non-lethal (or humanitarian) purposes. It is possible, however, that our public education campaign between now and when the report would be submitted could change a number of votes--thus, affecting the final form of our request. Since we will not know this for certain until late in the Congressional recess, we proposed that we proceed as follows:

- Between now and April 12: refine the report and the three forms of the Presidential Determination (pages 21-25) as indicated above.
- On the morning of April 15: meet with 8-10 key Congressional leaders from both Houses and both parties to the White House for a two-hour briefing hosted by you, Secretary Shultz, and WH Chief of Staff Regan. At this meeting, the senators/members would be provided with the Gates/Gorman briefing (one hour) which covers pages 1-20 of the report. They would then be asked to read each of the three funding options (pages 21-25). Based on their input (we believe they will recommend the second alternative--non-lethal), we will append the appropriate version to the report.
- In the early afternoon of April 15: the President should meet with Cruz, Calero, and Robelo who, if necessary, will endorse the non-lethal option on the grounds that it will preserve the credibility of their March 1 San Jose Peace Offer.

~~SECRET~~~~U~~ SECRET

~~U.S. SECRET~~

N 40319

~~SECRET~~

3

- On the evening of April 15: in his address to the Nicaraguan Refugee Fund dinner, the President will announce that he has forwarded a report to the Congress asking for renewed support to the Nicaraguan Democratic opposition. If the report is being forwarded requesting non-lethal aid, his remarks will note that the report excludes military assistance in response to the plea of the resistance leaders so that their peace overture will have a chance to work. The remarks should also include (as would this version of the report) that "other forms of support will be provided if the peace proposal is rejected." This will cover us for the resumption of CIA support once the restrictions in Section 8066 are lifted.

We believe that this scenario is workable and will result in significant Congressional support for our proposal on the Hill--with a minimum of Presidential involvement. The events outlined for April 15 are important in that they will provide a public endorsement for less than we had originally hoped for and at the same time give the Congressional leadership a sense of having participated in the formulation. It is imperative that the plan outlined above be kept very closehold since any leak could seriously compromise the effort. Thus, the President's remarks at the NRF dinner on April 15 should be prepared by Ben Elliott in a manner similar to that in which we prepared the Grenada announcements. The rest of the action plan at Tab A is designed to support the proposal above and needs your approval for implementation by the Buchanan ad hoc working group.

RECOMMENDATIONS

1. That you review the chronology at Tab A and approve these events for implementation.

Approve _____

Disapprove _____

2. That you approve the concept outlined above for events on April 15 (these are not included in the checklist at Tab A).

Approve _____

Disapprove _____

3. That you review the draft report at Tab B and approve the formulation of non-lethal and non-specific versions of the President's determination (pages 21-25).

Approve _____

Disapprove _____

Attachments

Tab A - Chronological Event Checklist (dtd March 20, 1985)

Tab B - Draft Report

~~SECRET~~~~U.S. SECRET~~

2-321

See Hearing Exhibit RCM-37

2-324

UNCLASSIFIED

17 Jan 1954

- Log/Alt Flg - Mission:

Simons

- 3 Small Aircule
- 1 C-47
- 1 Helo and crew

- Log Support for Simons Area
- Log Support for Navigation Ops.
- Weather Report for
- ^{Refinery} Simons Fuelbase Program
- Training Program

- Simons;

File

- Report

4524

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 under provisions of E.O. 12256
 by B. Regier, National Security Council

2-324

See Hearing Exhibit C/CATF-43-7

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7 Nov 53

Q - 1600

1745 - Call from Adigo

- no report from [redacted]

- for head reasons, being asked to have
 - have ^{not} been able to talk to [redacted]

[redacted]

- waiting for word as where they
 want to go to move to

[redacted]

1245 - 0702012 Z Abnager

Re Miller CODEL

1515 - Call from clock

Arthur
 Alfano
 Adigo

Dec. 15 Ret 25 May
 - have wanted to go.
 Can't go now.

(4526)

UNCLASSIFIED

partially located in 1360
 under pro 50 - 1 E.O. 12356
 by B. Reg. National Security Council

UNCLASSIFIED

2 May

~~1~~ - 1.308

~~2000~~ - Call from
Culver's Mtg w/

1st Stage: Inward. Vocab
will have to vacate - leave behind

۲۵

UNCLASSIFIED

4527

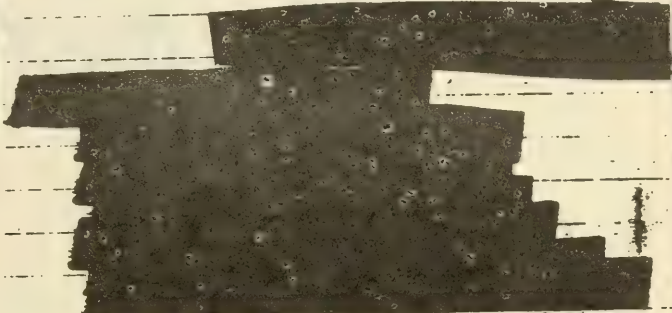
UNCLASSIFIED

13 Nov

0 1818

- Sharden

Allways Rebelo - 234-0788 - 2-620



1822 - netg w/ RIF

- Pictures (4 Apr) of OR w/ LAR
- Skinned LAR.
- Cuba/Russian Info.

1825 Call for

- Disposal

complete

UNCLASSIFIED

turned to

Gabin has briefed on northern Nic situation.

4528

UNCLASSIFIED

Ch 2 #336

2-326

Document

N40240 - N40268

29 pages

Deleted in

Declassified/Released on 9 Jul 1987
under provisions of E.O. 12356
By B. Rens, National Security Council

its Entirety

2014

2-327

See Hearing Exhibit GPS-78

2-329

UNCLASSIFIED

1 May 85

2 1720

1990 Atty w/ Gen Secord

- "Martin" setting up meetings "supermarket"

- Tried to establish contact w/

- S. needs 90 quantities to save 20%
on overhead

- 11-79 order nls May 1st to

- work trip from [redacted] to [redacted]

- 12/1/80 Panel (Artist Kition was among the
band)- [redacted] both aware of
transactions from [redacted] to support
FOW + Capt. Bremer in [redacted]

- Rafael Quattria - Secord was on scene

- C-4 (204) discrepancy

Atty used May 6

2 MAY

UNCLASSIFIED

4529

2-331

UNCLASSIFIED

Q 1632

17 Nov 85

outg w/ 2 ways (cont'd)

- Promised to tell persons how to use what
- probably learned by [redacted] personnel
- [redacted] people will not work w/
- Martin letter of credit floating all over [redacted]
- Prize from Sam based on adequate lead time.

Umar's from an source

- Maria was in picture
- Touché's, Howard, times for 8-47,
- heard 2 w/ bad cable, both w/ bad sides.
- serious logistics problem
- Possible Martin interference [redacted]
- delivery
- Slip arrived 1 Nov 85 - Tainish vessel.
- 248/corx - for [redacted] in ltr of 5K or more.

UNCLASSIFIED

4530

1/26/86

2-333

UNCLASSIFIED

Suepy

Q 1806

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

17000 - Call from Dick Seard

- Came out of jail in [REDACTED] now in Paris
- Took every train
- Then arrived 4-5 hours ago.
- [REDACTED] 11-79 in [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4531

UNCLASSIFIED

2-336

UNCLASSIFIED

1 May 85

Q 1790

1990 Atty w/ Gen Secord

- "Martin" setting up meetings "supermarket"
in [REDACTED]

- Tried to establish contact w/ [REDACTED]

- S. wants 90 contributions to save 20%
on overhead

- 11-79 order re May 18 to [REDACTED]

- not a tip for [REDACTED] to [REDACTED]

- 27/Barrel (last 1000 was [REDACTED])

- [REDACTED] both aware of
transactions in [REDACTED] to support
FAS + Capt. trainer in [REDACTED]

- Rafael Quintana - Secord was on scene

- C-4 (30K) down payment

- Atty used May 6

2 MAY

UNCLASSIFIED

4529

2-357

UNCLASSIFIED

18 Nov

Q 1834

Adolfo Case:

- Bob Natch [REDACTED]

- Talk to [REDACTED]

1548- Call from John Miller

- very in S.T.

- clearly is putting out very organized lines

1130- My w/ (Moroni)

Rep. check on: Walter Glob. Action. Lines to Sule

Disc. of ways to handle M.A. probs, etc.

Locate My on Monday

1130: Call from F. (from Case) (Moroni)

Baker's personal

or go to Mr. Robt (Moroni) Danner

or Motine

800- Call to JWP. O.K. to proceed.

4532

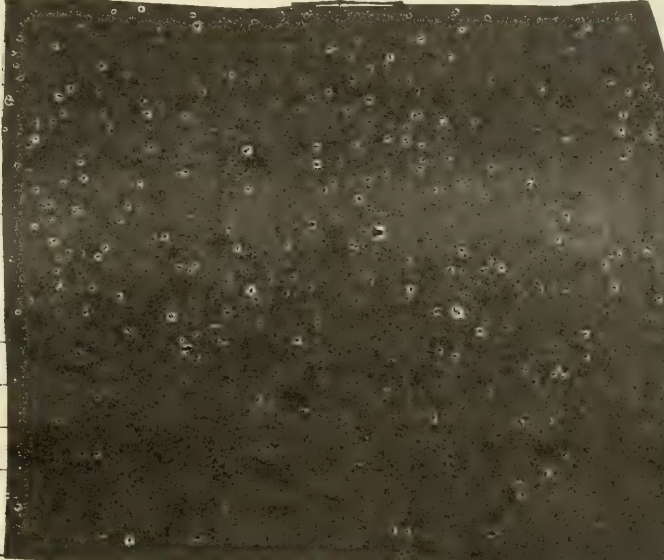
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2-358

17 May 85

Q1831



1/26/85

2000 - City of Dick Samuel

• Singing dead w/ A.C. /

- 1000 A.M. 47.5

- Flying over from 4500

• Ben Martin: (Morio del Amico (Cuerpo de Marinos))

• Early w/

UNCLASSIFIED

4533

2-359

17 MAY 85

0-1833

2120 - Call to Address

- Will stop wave up [REDACTED]

- Two 7.5M deposits -

- Ac of taking balance = \$5.5M

after w/o of \$5.3M

back straight

- Got [REDACTED] into helicopter possibly
be taken to [REDACTED]

- Security is paramount

- word comes from

- check first hour bug instructions

• Got a visit from Martin's rep (McGee)

advising that they had several

million 7.62 51 & 30 [REDACTED]

• [REDACTED] - offer guarantee that
won't run short• Should try to be more discrete in
purchase• Talked to:

4534

2-360

UNCLASSIFIED

20/10/85

1837-

27028 Staff meeting

- Denton/Water. - 12

[REDACTED]

- Friday. WCC meeting. re Economic Jit in
Cent. Fin.

- Presidential address to Council of Ministers

- 2830 W/ - Jan F.

2830 - Call from Dick Seward

- Sampled like Colas was going to
have to go through with
[REDACTED] purchase

- Will be back Thursday for Paris.

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(4535)

CLASSIFIED AT TIME OF PUBLICATION.

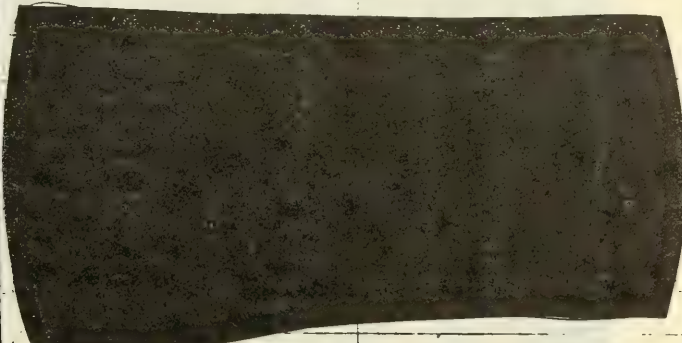
UNCLASSIFIED

15 Mar

2-364

Q-1825

~~xxx~~ reply w/ Ed. H., and C., B.U.



1850 - Call from Adelle

- Are there any risks of accounts being frozen?

- Fed Reserve has off. Clinton w/ these banks

- Could A.C. & personal accounts

be frozen?

- Re check's other for

there enough to cover this but not
leave nothing.

12th March

13th due Friday

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4536

UNCLASSIFIED

CALERO BANK TRANSACTIONS
(Sorted by Transaction Date)

Report Date: 6-04-87

Date	Reference Bank / Calero Account	Transaction Type	Disbursements	Receipts	Balance
10-01-86			100,175.00		107,354.88
10-01-86			100,125.00		7,229.88
10-03-86				149,406.25	157,136.13
10-03-86			45,000.00		112,136.13
10-03-86			5,000.00		107,136.13
10-03-86				15,000.00	192,136.13
10-07-86			45,000.00		107,136.13
10-22-86			25,000		107,111.13
10-31-86				55.26	107,146.49
10-31-86				74.67	107,221.16
10-31-86				106.72	107,307.88
11-04-86				45,000.00	152,307.88
11-04-86			55,000.00		107,307.88
11-27-86			5,000		107,302.88
11-30-86				30.35	107,333.23

11/26/88

0

4737

4537

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Chapter 2 p. 364

CHAPTER 3. THE ENTERPRISE ASSUMES CONTROL OF CONTRA SUPPORT

UNCLASSIFIED

The following information was provided to the Committee by General Richard V. Secord on August 18, 1987:

1. By the time of the meeting on or about July 1, 1985, at the Miami Airport Hotel, LtC North had repeatedly informed Secord that North was concerned that the Contras had not formed an effective air resupply program. North also stated that the FDN had a large surplus of arms and that the primary need was delivering the arms to the troops inside Nicaragua. North also told Secord that aerial resupply was the sine qua non for the existence of a Southern Force.

North explained that a Southern Force could not exist without aerial resupply and that the FDN did not have the capability to undertake it. Hence, during the July 1 meeting, the need for an airlift was the top priority and the establishment of a Southern Front coincident with such an airlift was also stressed.

2. In the summer of 1985, Secord agreed, following North's request, to create the airlift for both the FDN and the Southern Front. In the beginning of August, Secord held a series of planning sessions with North and others to determine how to conduct the resupply program. There were three steps necessary to establish an effective operation. First, a logistic organization consisting of aircraft, spare parts, maintenance, communications and trained personnel had to be set up. For that, Secord turned to Richard Gadd. The second task was to obtain a secure operating base from which the aircraft could launch their missions. For this, Quintero, on Secord's instructions, consulted with the Contra leaders.

was initially considered to be the first choice. However, operating a major air resupply would prove difficult at best. The runway, while long enough, was rough, undulating and poorly maintained, and sufficient fuel on site was not available. Quintero suggested

as a suitable alternative and Secord and North concurred. Lastly, Secord concluded that in order to establish a sustained air resupply operation on the Southern Front, an emergency airstrip stocked with a small amount of fuel was necessary as an abort base. Secord envisioned early on the possible use of C-7 and C-123 or similar aircraft, and particularly if these aircraft flew where a flight could be as long as nine hours, Secord felt that some kind of abort base had to be set up to handle in-flight emergencies or damage from enemy action. And for the Southern Front, Costa Rica was the only location possible for this emergency landing field. When Secord discussed with North the idea of an emergency field, North immediately suggested Santa Elena in the northwest corner of Costa Rica, which had apparently been considered before by the United States Government for such an airstrip. North also thought that more than an emergency airfield could be established at Santa Elena and that Secord should aim to set up a secondary operating base for resupply to the Southern Front. Of course,

UNCLASSIFIED

4587

- 2 UNCLASSIFIED

the entire project had to remain officially secret,

3. In or about November, 1985, Richard Gadd had located three C-123's belonging to the [redacted] for possible purchase. However, [redacted] would not sell the aircraft without some sign of official approval from the United States Government. Col. North told Secord that he had asked both Robert McFarlane and the State Department for assistance. Secord believes that North said that North had talked to Elliott Abrams about informing the [redacted] that the United States Government supported the sale of these aircraft to ACE. The deal was never ultimately consummated because final approval was not received from the [redacted]

4. From the conception of the air resupply operation in July, 1985, through January 1986, Col. North impressed upon Secord the fact that they were operating with donated funds that were strictly limited. Similarly, from February 1986 to October 1986 when some funding was derived from the Iranian operations, funds for the Contra program were limited since the Iranian operation had increasing financial obligations. Due to the limited nature of funds available, the criteria Secord imposed on the purchase of aircraft and other equipment was to purchase the least expensive available that could adequately perform the task. Secord informed his subordinates of this need for strict economy, including Richard Gadd and, after May 1, 1986, Robert Dutton. Secord and North both discussed the limited availability of funds. The L-100 and Casa 212 turbo jet propeller driven aircraft were discussed by North and Secord during the summer and fall of 1985 as more desirable aircraft for the resupply operation but were rejected because of their high cost. By the fall of 1985, the estimate Secord had made to Col. North of what it would cost to run the air resupply operation until summer 1986 was approximately \$4 million.

5. In the spring and early summer of 1985, North had decided to furnish the FDN with arms and air support directly, rather than the funds needed to secure these goods and services. As a result of an agreement that was reached with Calero and Bermudez in July 1985 at Miami, air resupply was the highest priority. It was further understood that any arms furnished directly to FDN custody would also be made available to non-FDN Contra units fighting in the South. In December 1985 and in February 1986, two plane loads of arms were delivered to the FDN by North and Secord. However, the FDN only reluctantly made those and other arms available for air drop to the Southern insurgents. As a result, Secord decided (North was informed) that sufficient arms and other supplies for air drop would be stored [redacted] and dropped directly to the South.

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- 3 -

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6. During a meeting held on April 20, 1986, at [REDACTED] both Secord and North reiterated to Enrique Bermudez, [REDACTED] of the FDN the importance of the Southern Front and the difficulty of getting stocks out of the FDN, thus preparing the FDN for the future storage of Southern Front supplies directly [REDACTED]. The FDN leaders expressed their dissatisfaction with the C-7 aircraft. Secord told them they were suitable aircraft and that the FDN had to have pilots trained to fly at night. There was some misunderstanding as to whether the FDN were the legal owners of the aircraft but North and Secord said the aircraft belonged to a private company dedicated to support all the Contras, both the FDN and the Southern Front. Also discussed at the meeting was the possible purchase for the FDN of Blowpipe surface-to-air missiles. During the April 20 meeting, [REDACTED]

7. In early June 1986 Secord decided to purchase an additional \$3+ million in arms for the FDN. The decision to purchase an additional shipload of arms for the FDN was taken after Quintero relayed information from the FDN that their stocks were getting low. Payments for hundreds of tons of East European weapons were made in three installments from June 20 to July 16, 1986. North was informed, and he agreed with this decision.

8. In late 1985 through the summer of 1986, Secord arranged, after coordination with Col. North and the Contra leadership for the purchase and delivery of the arms shipments described in this paragraph. In December 1985 a load of 85,000 pounds of arms that the FDN had earlier paid Energy Resources arrived in Central America for the FDN. This was the last delivery of arms that the Contras paid for. The remaining arms deliveries were all donated free of charge.

In January and February 1986, after Rafael Quintero had consulted with Enrique Bermudez and various individuals connected with the Southern Front, Secord arranged for a delivery to Central America on a 707 aircraft of approximately 90,000 pounds of arms (worth \$504,000) to the FDN. The arms were destined for both the FDN and the Southern Forces. In late April and again in late May, over \$1.3 million worth of arms were procured and donated by Secord. These arms were delivered to [REDACTED] for use by the Southern Front Forces.

This memorandum accurately sets forth the facts I relayed to the staff of the Committee on August 18, 1987, and is a true and complete statement of facts.

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Richard V. Secord
Richard V. Secord

UNCLASSIFIED

Chapter 3, Footnote 26

3-26

18 A x BS 1135


 Copy of 8 pts.

- UNO Primary is near
- Bobels - Truck 3 -
North is budget
- Gen Sec.
Eugenio Valdivia

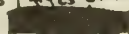
S. Front

Advise to put them out
Sign agent to work 4
UNO, Mar 1, Jun 12
Dorr.

Pol head - Bobels

Nel Rd - 

Nel Qn - 

Force 21 ways (412 of R. line)
to control 

48/9/11

4618

UNCLASSIFIED

8/27/92
 4619

10 Dec 95 Q 1136

why in S.J.

☐ Reply to S.J. ASAP. (Paden)

- leave all ops inside for
 drops.

- no more border ops.

- airlift from air

RR
 - Why leave 2d ASLA w/ty in
 Miami? No need

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UNCLASSIFIED

19 Dec 85 - 1137

2200 - let's us/ A.R.

[redacted] or
[redacted] may be better
go inside

[redacted] was his
deputy - can go in
[redacted] to
go back up earth.

- we can't have it going
to Cans there [redacted]

- [redacted] trainers
to [redacted] to train in
log deliveries

- [redacted] to provide
log

- Hand written RR note
to UNO leaders.

- Aertor's Demo training
for [redacted] force.

88/941

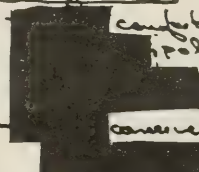
4620


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UNCLASSIFIED

18 Nov 83 T138

A.C. info (cont'd)


 compatible w/
 policy and
 or ops O.
 covered about
 etc.

- John had to arrange
 for  training

* - Willing to allow to
 for 29 days

RE: Comments on

- H.S.O. - ^{at most} inventory based on
 secondary objectives

/ - USS needs real authority.

/ - USS is the vehicle.

/ - USS / FOI / USS / SUO / USS / USS

* USS info in S.I. last week of
 August. to find out comments
 USS info last and 2

1/26/83

(4621)

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UNCLASSIFIED

10 AUG 83

1139

P1

- Picture of RR

Hills

Ref - PR 77 - 1000
 Ref - Secret Communications

Tues - Aug 13

04:25 - Call for Dick Sec. D
 - will call back tonight

UNCLASSIFIED

1139

by R. [unclear] [unclear]
 [unclear] [unclear] [unclear] [unclear]
 [unclear] [unclear] [unclear] [unclear]

40022

1140

Aug 21 A.C.

- Name of Det person
in New Orleans & Co

Back on Mario/DCL

PR 77-4 1000

Aug(-) Socio Communication

Tues - Aug '13

81326 • Coral fr Dick Seco: D

- will call back tonight

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9993397779979999

Chapter 3, Text de 26

~~UNCLASSIFIED~~

143

Partially Declassified
 by B. Regan, National Security Council
 10/10/2000

4624

- Call back to this
 house 32-32-22

18 Aug

Call to A.C.

- Can't come this wk.
- Financial probs in Eur
- Where is [redacted]

Re's Over

- Flight from A.C. [redacted] P.m.
- Travel to C.E. [redacted] for Paul [redacted]
- Contact [redacted] ADP
 have him contact [redacted]

~~UNCLASSIFIED~~

UNCLASSIFIED

3-28

3, Footnote 28

3 SEP 85 11.63

1638 -

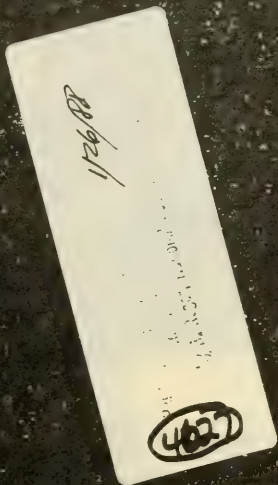
Put in Unclassified, released on 4/22/82
 under provision of E.O. 12256
 by B. Rogers, National Security Council

(46246)

Real Special -

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1/26/85

1164

1635 - City w/ Arturo Jr

- Going to Miami Weds
- Going to J.F. Thursday
- Furtive Aerial Search
- Asked to tell [redacted]
- Needs support to move.

[redacted] went by end Sep.

[redacted] needs

2000

[redacted] will drop out

for visas for he, wife, children to live in Miami.

2165 - Call to A.C.

- Disc. w/ [redacted] Re SuperMarket
- [redacted] asked A.C. not

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3585 - 0 - 1165

By B. Rogers, National Security Council

4628

- 1948 - Call from [redacted]
- Amb. Called Joseph Hamilton's office in San Jose.
- Plans to be back at
- 5

_____ has not arrived
planning a working trip to
Dumoulin;

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UNCLASSIFIED

3 Sep 85

0 1166

Sequence of events

① 40-50x FOL [REDACTED]

WTT Sunday Aug 25

② [REDACTED] reportedly used 325

③ QB has called for intgy
11-14 Sep 85.

4629

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Chapter 3. Fin 28
PAGES Q1200 thru Q1206

Non Relevant

4630

UNCLASSIFIED

UNCLASSIFIED

17 Sep 85

1960

Call from Bill Marshall

- Meet w/ 2 others in N.Y.
- Hamilton (Joe) - enthusiastic
- Aub. will talk to
- Robert Chambers
- ~~John~~ ~~Marshall~~ ~~Cop~~
- Hamilton goes back to C.R. Told to contact Aub. when he returns on Friday
- Thomas R. Cassidy (banker)
- Get Mailbox
- Get Floodrop

UNCLASSIFIED

UNCLASSIFIED

PAGES 1208 AND 1209

Non Relevant

UNCLASSIFIED

UNCLASSIFIED

Adjustment no 6

to bank on actual checks provided to mortgagor. The difference between ledger and bank record totals amounted to \$7,436. The cash is reflected in our record to balance amount. 40862. See the following documents.

H 2350	8.21, 0.16	H 2350	10.000
H 2302	8.28 10.72.81	H 2351	42.000
H 2336	8.28 15.7.81	H 779	16.231
H 2362	8.31 4.00		

1884

4525

UNCLASSIFIED

[illegible]

Chapter 3

MAXIMUM DOCUMENT ANALYSIS

09/24/87

SUPPLEMENTING DOCUMENTATION QUALITY

SEE LAST PAGE OR ANALYSIS FOR
DESCRIPTION OF QUALITY
CATEGORIES 1 THROUGH 4

CONTENTS

PEER TESTIMONY AND JURY PLEA DOCUMENTATION, PAYMENTS COVERED AIRLIFT AND AIRFIELD OPERATING COSTS RELATED TO COMBAT AIRLIFTS THE 3RD PARTY DOCUMENTATION INCLUDES EAST INC. BARR STATEMENTS AND SUPPORTING DEBIT/CREDIT ADVANCES

PER AND A TRUE TESTIMONY. PAYMENTS ARE
FOR THE CONSTRUCTION OF AN AIRFIELD IN
"PAINE CONSTRUCTION FOR THE CONSTRUCTION
OF THE AIRFIELD. ADDITIONALLY CERTIFICATES
EXPOSURES ARE SUPPORTED BY CREDIT
EXPOSURES WERE FINANCED AND CREDIT RECORDS
NATIONAL BANK CANCELLED CHECKS MAINTAINED
MONITOR AS RECEIPTS

Chapter 2, Footnote 29

3-29

2 Oct 8 1239

Find out from Paul
what is acceptable
as a paymaster.

Ann Winsor - Jim Gutierrez

* Bill Haskell - the lawyer of
Bacon is the son of
Dr. Carlos Joe Gutierrez

30 Oct

1192

UNCLASSIFIED

11438 - Call from B.U.H.

Hamilton - letter approval

msg of install

• Letter

• Under

• Fire fighting

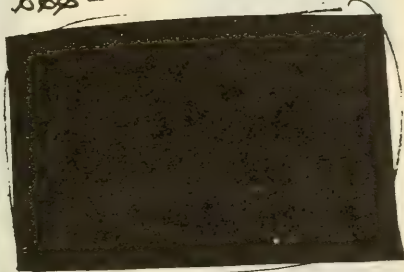
4632

Q 1240

ਅੰਤਰਿ ਗਤ 2

- Bull chaz
- Build Road?
- Truck Disposal
- Ton of base

— ൧൧൧ —



UNCLASSIFIED

to West Africa - 1 case on 12/2/58
under previous F.O. Regs.
R. Rogers, National Security Council

4633

3 Oct

1241

2238 - Chief for [redacted]

[redacted] must be
Chief of Administration

- Second piece of
Real Estate must
be arranged for
Olanstead for
Training site.

[redacted] told Bob that
funds for Effect was
necessary - \$8-10K.

[redacted] is looking around
for other backers.

- \$5K to [redacted]
- 20K to [redacted]

UNCLASSIFIED

1/26/83

4634

3. Footnote 30

3-30

65005

1171

[REDACTED]

10 Sep 85

0930 Staff mtg.

- Chief of Mission Conf.
- WFO: organizational and operational
operations of concern in

[REDACTED]

UNCLASSIFIED

to Mr. J. E. ... 11/26/85
 44635

18 SEP 85
CLASSIFIED

1172

1030 - Call from [REDACTED]
 [REDACTED]
 [REDACTED]

1430 - • The Mission

• INTERPOD
 (KATON)

• 7th US Co-F. on Oninid
 [REDACTED]

1630 - Mtg w/ Jim Stealy/Dan Gregg

Approached by

Mario del Amico

Plans to be close to [REDACTED]

Plans to be close to 500

Soil run or covering [REDACTED] [REDACTED]
 for flights out of [REDACTED]

Wants to use

Talked to [REDACTED] who
 said [REDACTED]

[REDACTED] could be used

Sgt. Barrios was [REDACTED]

to develop a special ops unit

outside Fort Log Lines

Introduced by [REDACTED]
 [REDACTED]

1/26/88

4636

1173

Oliver Bernstein visit to
[redacted] to exhibit.

By Support./maint. of for

- Dolanico commenced [redacted] to
give FDNY 1K AU mags. [redacted]
[redacted] never paid for mags.

2nd Supp. for 8 Cent 1.

- ATA process keeps U.S. out of police program.
- Should be using ECO waiver for U.S. and program to support police
- Should not 'coop' with out by legislation.

58 cars are on order
by [REDACTED]

Leads in touch w/ Harrison
- Larrier Plaza - Atlanta

There There

12

when dept for G.boro thru
1944 when he ret. to S.J.

- Angus Biddle Duke was traced Hamilton in positive way.

UNCLASSIFIED

1/26/88-

4637

10/28/85

1174

Bill:

Bill

→

(Name)

Secord - notes

Caldero -

Carl Miller

need + 1 as by end of week

(4638)

UNCLASSIFIED

3-32

UNCLASSIFIED

Chapter 3, fn. 32
Pages Q 1188 thru Q 1192.

Non Relevant

(4639)

UNCLASSIFIED

UNCLASSIFIED

16 Sep 95 1:23

Call from Jim Steele

★ Del Amico - 2

What about Felix - help for
A/C variant

[REDACTED]

Ed Warner - VOA Re [REDACTED]

[REDACTED]
West Raymond
Bill Walker

CLASSIFIED

[REDACTED]

18/92/1

4640

UNCLASSIFIED

PAGES 1194 to 1199

Non Relevant

UNCLASSIFIED

UNCLASSIFIED

Chapter 3, p. 35

PAGES Q1073 thru Q1079

Non Relevant

4641

UNCLASSIFIED

29 Jul 85 1080

UNCLASSIFIED

- 1538 - John Wier
 - there in D.C. Thurs/Fri
 - meet w/ North = 2000.
 - Rev. Wilson to sit in
 - Arr D.C. Tues A.M.
 - needs a poss. Eby
 - 18 Air lost the
 - ~~big~~ pictures lost near.

1545 - Dick Secord

± 74 K/uo
 6 mo min
 1888 long/uo } ± 450K

2 weeks to get operations

1 Carlson

± 330K to buy

450 includes 12 O'ay
 parts, fuel, maint., ins., etc.

2132 - W. Bar (2)

- Jumbo called for Miller - Dec 8 1980
 - Data & Direct to Adulst
 - Point of disc. (13.4)

4042

UNCLASSIFIED

PAGE 1081

Non Relevant

UNCLASSIFIED

Chapter 3, Footnote 37

UNCLASSIFIED

3-37

PAGES 0-1308 AND 0-1309

Non Relevant

4643

UNCLASSIFIED

1310

UNCLASSIFIED

18 Nov

710K/uno. Pm

- SK single vid

710K/uno

85K Bk

C95K Re

UNCLASSIFIED

① Call

② Call back

③ SK for

④ Have

⑤ work

⑥ for

rest OK

- Mario Calera

DC/5 log

Assigned Commercial Enterprise

UNCLASSIFIED

15 Nov

- Call 2144 29 Call to

ACE is O.K.
Towana

[redacted] called

11852

12198

13142

17342 -

} no lead today

16 Nov

my w/ Gabel, Carr, Olstead

- Calero - needs to
- close off Access
to• [redacted] Tell [redacted] that
ACE is O.K.

(4045)

UNCLASSIFIED

Chapter 3
Footnote 50

Oliver North 9/24/85 2 Contacts
w/ NSC

ACM

War costs \$2 mil / mo. S 4344
North thinks that \$1.25 mil
can come from NSC.

~~SECRET~~

UNCLASSIFIED

Need for new Hospital to handle
medevacs.

1. Site must be agreed better.
UNO [REDACTED]

Not too close to border. 3-50

Eventually some arrangement
must be set up on [REDACTED]
border.

North thinks he & I should
make quick trip to [REDACTED]
after which I would send
my deputy (Cres).

North wants me to use Rob
Owen - he is "can do" & knows
the scene.

The Farland concerned about moving
past (Jeanne Kirkpatrick concern).

4646

UNCLASSIFIED

~~UNCLASSIFIED~~

Chapter 1

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508

December 2, 1985

N 49169

SECRETACTION

3-56

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Trip to Panama and Honduras

Based on your guidance, arrangements have been made for you to meet with [REDACTED]

(Dec 5). The itinerary and substance of your meetings have been discussed with State (DASS Bill Walker) and SOUTHCOM (General Galvin).

Attached at Tab I is a NSC Staff Travel Authorization Sheet for a proposed trip to Panama and Honduras on December 4-5, 1985.

Participants:

ADM John M. Poindexter
Mr. Richard Armitage
Mr. William Walker

LTCOL Oliver North
Mr. Raymond Burghardt

General Itinerary (details at Tabs III and IV):

Depart	2:30 p.m., Wed, Dec 4	Andrews AFB
Arrive	7:35 p.m.	Howard AFB, Panama
		(Remain Overnight)
Depart	9:00 a.m., Thurs, Dec 5	Howard AFB, Panama
Arrive	9:50 a.m.	Palmerola AB, Honduras
Depart	2:00 p.m., Thurs, Dec 5	Palmerola AB, Honduras
Arrive	7:10 p.m.	Andrews AFB

NSC will defray expenses for North and Burghardt's travel.

Attached at Tab II is a memo from you to Don Regan requesting a Special Air Mission (SAM) support for this trip.

Tabs III and IV provide an overview of the situation and the objectives we hope to achieve in Panama and Honduras, respectively. Detailed talking points for your use during the trip will be provided separately.

State (Walker), Defense (Armitage), [REDACTED], and Ray [REDACTED] ^{not available}
Burghardt concur.

SECRET

Declassify: OADR

~~UNCLASSIFIED~~

4647

UNCLASSIFIEDSECRET

2

N 49170

RECOMMENDATIONS

1. That you authorize Rick Benner to cut the appropriate travel orders for North and Burghardt.

Approve 0 Disapprove

2. That you initial and forward the memo at Tab II to Don Regan requesting SAM support for the trip.

Approve Disapprove 1

3. That you review Tabs III and IV prior to the trip.

Approve Disapprove 4

cc: Rick Benner (w/o Tabs II, III, and IV)

Attachments

Tab I - NSC Staff Travel Authorization Sheet

Tab II - Poindexter Memo to Regan

Tab III - Current Situation and our Objectives for Panama

Tab IV - Current Situation and our Objectives for Honduras

UNCLASSIFIEDSECRET

21

12/05/03 22:12:03

TO: MR. JAMES E. HARRIS
--CDB--

PHYSICS CLASS CURSE

UNCLASSIFIED

Free Reply to note of 08/31/85 13:26

SECRET

ESTI PROD: OLIVERA BOYER

Subject: PRIVATE-CLIQUE CIRCLE

[illegible]

Because your time is so very valuable, a card has been devised so that you will be absent in the U.S. for only one day and yet be able to stop in each country. Collecting general literature is proposed:

TIME (local)	LOCATION	REMARKS
0700-0900	Report Wash. [redacted] Caracas	NYC 15178
0900-1100	Arrive Miami, [redacted] Panama	
1100-1230	0-2. CIM-30. See [redacted]	
1230-1300	Breakfast, Qica 1	
1300-1400	Report for [redacted] [redacted]	
1400-1500	NY to ZIP [redacted]	
1500-1600	Check-up for San Juan, Costa Rica	
1600-1700	NY at Cortez hotel / [redacted]	
1700-1800	Have one hr. [redacted]	
1800-1900	NY at Cortez hotel / [redacted]	
1900-2000	Check-up for [redacted] A.B. El Salvador	
2000-2100	NY at [redacted] / [redacted]	
2100-2200	NY at [redacted] / [redacted]	
2200-2300	Inspect [redacted] [redacted]	
2300-2400	to current operations. [redacted]	

WITH WTC

LOCATION

Report Wash. circuits January

2130
Active Board App Period (RM) at 1

0.5. CIRC50, 600 galy/101

0730 (next day) Breakfast. 0740 1

0000

0030-0900 819 10 777 10000

0690
Shells-up (or 300 lbs.) de-stress
shells-up (or 300 lbs.) de-stress

Save one hr. enroute - change of time

1900-1910 Mrs. A. Carter, 101 N. 1st St., St. Paul, Minn.

RECEIVED

44-38861-1000
 Plans for Project
 1000 of U.S.

REPORTS IN THE CHURCH OF THE 19TH CENTURY

100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-1045-1046-1047-1048-1049-1050-1051-1052-1053-1054-1055-1056-1057-1058-1059-1060-1061-1062-1063-1064-1065-1066-1067-1068-1069-1070-1071-1072-1073-1074-1075-1076-1077-1078-1079-1080-1081-1082-1083-1084-1085-1086-1087-1088-1089-1090-1091-1092-1093-1094-1095-1096-1097-1098

5.0 to 1001 / Feet of 0.3

Inspect Air Assets, Ops Order

to current operations. Disc. C/T program

DISCOUNT

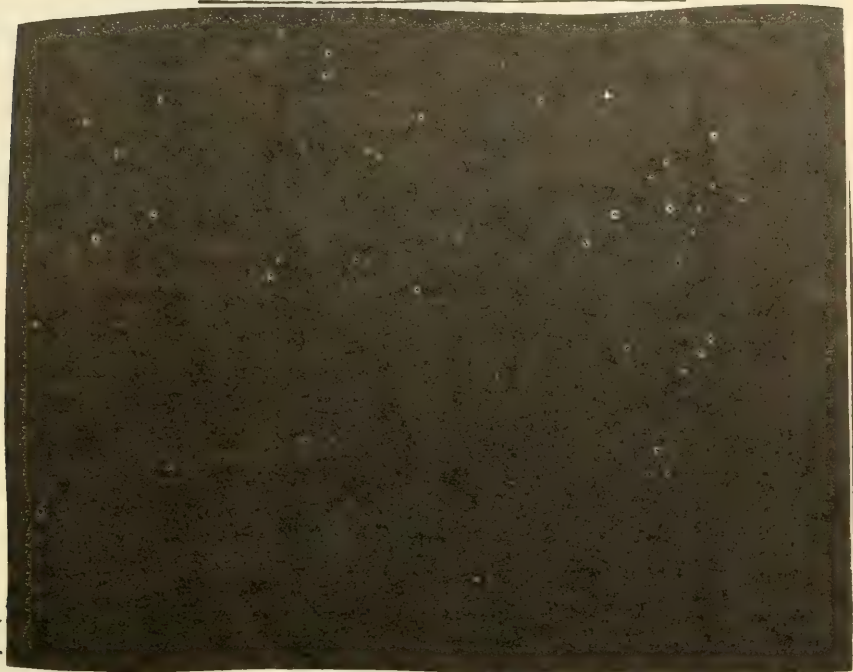
UNCLASSIFIED

Chap 3-58 to 5849

SECRET

UNCLASSIFIED

N 31907

CURRENT SITUATION/OBJECTIVES FOR HONDURAS

Thursday, December 5, 1985

- 0950: Arrive Palmerola Air Base, Honduras (save one hour enroute -- 1 hour and 50 minute flight)
- 1000 - 1215: Discussions with [REDACTED] attendees: Poindexter, U.S. team, and Amb Ferch
- 1215 - 1315: Working lunch at CTF Bravo (U.S. military exercise hqtrs)
- 1315 - 1400: Options:
- A - [REDACTED]
- B - Country team briefing by AmEmb Tegucigalpa
- 1400 - 1910: Enroute from Palmerola Air Base to Andrews AFB

UNCLASSIFIED

Partially legible text on the left margin, possibly a stamp or handwritten note, including the word "Country" and "1985".

Chapter 3, Footnote 62

3-62

UNCLASSIFIED

Pages N10718 to N10728

DENIED IN
TOTAL

4649

UNCLASSIFIED

Chapter 3, Footnote 65

3-65

15

0 1456

- Done on Course

1 Case	1 Gold
1 Case	1 Side/way/case
1 S. Buzz	

UNCLASSIFIED

10/21/11
 10/21/11

4650

UNCLASSIFIED

UNCLASSIFIED



Chapter 3, Footnote 65

PAGES 01457 AND 01458

Non Relevant

UNCLASSIFIED

Chapter 3, Footnote 6c

3-66

UNC

SIFIED

18 Dec 85

Q 1386

- Call from Corp
- Gorker
- Need to go
- Paris Prins de Gaulle 312

19 Dec 85

1858

126/80

1110 - night of 84/94 - R
 of 444/544 - see Atlanta 244

464

UNCLASSIFIED

19th

11/20 Call from Calvin Q 1387

UNCLASSIFIED

11/20 -

plans to call
 Boston and send
 log H.

- ACE purchase
- Report complete
 on all 3

2020 - Call from Jim Steele

- OK on flights
- Fuel arrangements

UNCLASSIFIED

Chapter 3, Footnote 60

UNCLASSIFIED

22 Dec

Q 1390

23 Dec

- City of Boulder, Boulder, Colo.
- Clarify Miami was not with Romans
- Code name for cover
- Miami

(4658)

UNCLASSIFIED

23 Dec 0 1991

Wg w/ Dunning/Burles/Calk
(Calk...)

- Briefing for Ad. R. R.

• New Orleans/██████████/Miami
on

• work for

① ██████████ Counts value to
get 3 Butler Bldg.

② Goal to construct Butler
Bldg w/ ██████████

③ waiver for Air Deliveries
(ESTCO) in theater (and
Problem of Fly America).

4659

□ Steel Steels:

- 20'x48' - 3 Butler Bldg

UNCLASSIFIED

23 Dec 0 1392

145 REG Adams, Values, acquisition, Bureau
Winters, England, Walker, [redacted]
Saves, work

0
0

UNCLASSIFIED

12/28/88

4660

UNCLASSIFIED

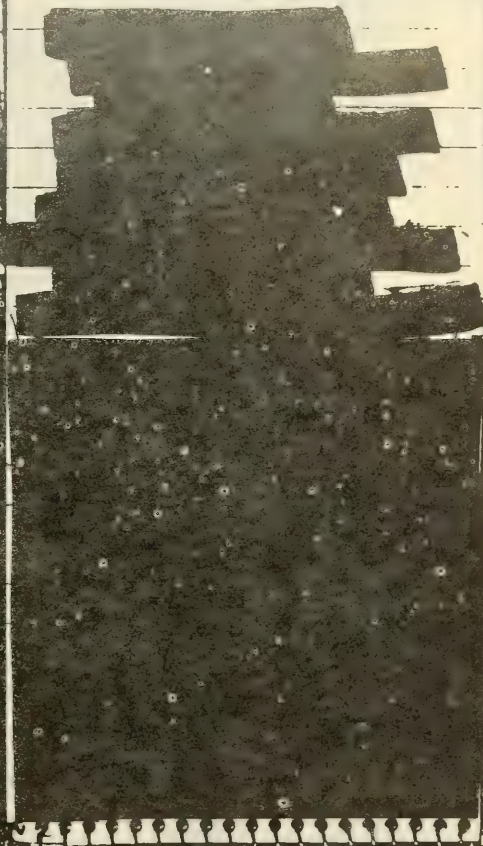
8/9/24

4652

6 Jan 85

QRC - Cont'd

Q 1409



6 Jan 86

OP #2
REPLENISHMENT

- MUST BE ORIGINAL PRICE FOR TOWNS (BASIC)
- PROVER TO THE FB
- SEND JERRY TO DEAL DIRECTLY w/ NORTH FOR [REDACTED]
- IF THE PROPOSING - SEND SURVEY REPORT FOR SITES READ.

OP #3
EXCHANGE w/ IRANIAN

UNCLASSIFIED

- SET TIMEFRAME FOR DELIVERY
- DELIVERY ROUTES/METHODS
- USE OF TRANSFER POINTS
- USE OF [REDACTED] AIRSPACE
- USE OF IRANIAN AIRCRAFT MAY NOT BE POSSIBLE

4653

6 Jan

- Faring Easy:

- 1874 Total Personnel by unit
- Total cost of 3000 was \$25-30k
- Good info offered by Carter
- T-10! G-C Carter
- Will pick up Carter & return w/o I.D. labels.

□ Call Steve

- [REDACTED]
- [REDACTED]
- Contention w/ [REDACTED]
- [REDACTED] official is [REDACTED] at
- [REDACTED] del Amico connection.
- [REDACTED]

- [REDACTED] 24000 for [REDACTED]
- [REDACTED] del [REDACTED] C-123
- [REDACTED]
- [REDACTED] [REDACTED]
- [REDACTED] initial document.
- [REDACTED] 5k/week for ops/week

□ Call [REDACTED] Re [REDACTED] years since [REDACTED]

UNCLASSIFIED

Declassify in: [REDACTED]
under provision of E.O. 11652
by [REDACTED], National Security Council

4655

UNCLASSIFIED

GJCO

Procs: \$5924
 - 1500 to fund for purchase
 \$490K on hand

Discovered for seller
 \$3000 only

200000 for seller
 \$60K
 - 200K

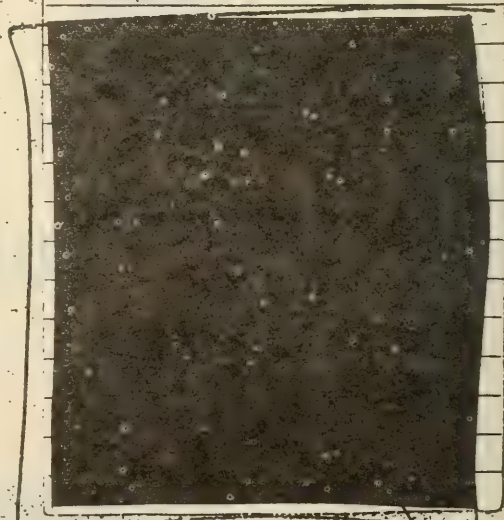
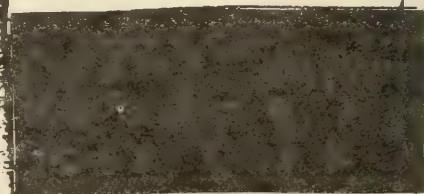
12/78

UNCLASSIFIED

4056

UNCLASSIFIED

Q 1414



12688

(4657)

UNCLASSIFIED

UNCLASSIFIED

Q 1501

- Rly w/ [redacted] Corp

R4 - [redacted] to [redacted]

R5 - [redacted] to [redacted]

R6 - [redacted] to [redacted]

R7 - (Ltr) SAT o/c Depart for Israel

US2883

US2955 } 2707/3200v

US2955

US2955 - N28135

ALL MOE 2014133 [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

King will call Kelly OPS

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

- [redacted] to [redacted]

UNCLASSIFIED

CLASSIFIED

31 Jan

0

1502

- Call from [REDACTED] \$7000

1600 - Call from U12

- Gordon back in London

- SAURINOS call Costa

- Monday morning will [REDACTED] rest

1620 - Hig w/ Shole

- Call - Colombia Plaza - Sun

- Springfield

1700 OSG meeting

[REDACTED]

[REDACTED]

1/26/68

4664

CLASSIFIED

31 Jan 86 0 1503

88/92/1

(4665)

31 Jan 76

1504

O2G sub-Central

-15 Feb-

☐ Case

Flight planning data

for [redacted] based AEE NYC:

Shd be passed to [redacted]

for hand-off to pilot

Control - w/ [redacted]

U6666

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Chapter 3 #66

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Partially Declassified/Released on 9 July 1987
 under provisions of E.O. 12356
 By E. Rogers, National Security Council

16 Jan

- 1338 - Call from Vic
 - weaver is going on 10 day
 of trip on Sunday.
 - Very difficult to converse
 after departure
 - Record

2018

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Call to Jones - 1938

212-697-9453 - Hobby

- 867-8425 -

- Rose on Tour

- Jerusalem on Rose's Set

- Gals

- Leaving for Rose 1938 Tour

[REDACTED]

[REDACTED]

2235 - Dec 14/1

- Comm for 1938

- PACE - more on L. 1938

- First account

- Careers - Queen/Oliverhead

- Int. for 1938 Re 1938

- 1938

UNCLASSIFIED

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Kik

Disc. w/ [redacted]

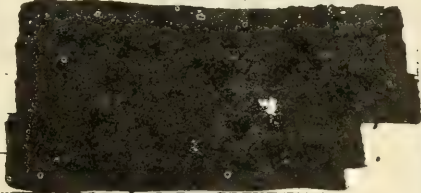
- [redacted]

Invest. by 9th [redacted]

at [redacted] [redacted]

at [redacted]

- Report problem



20 Jan

- Disc. w/ [redacted] in Corp

• Register 4C [redacted]
from UDRS 5.4.

• Det will be briefed to
leave hands off

• want to get engineer back
to work w/ [redacted]

• Have C1C C1C - run a 4 wheel
Dr. and proceed to give
Instructions to [redacted]

1 Apr

20 جولہ

Atty. Gen. - Cont'd

- Fuel bladder & low level
- 2nd tanker / Fuel tank up at Ranch house
- Deliver tanker to upper level, transfer to drums and export to lower base.
- Look at bringing in fuel by ship, coal
- Paint jobs on A/C (C-17)
- Ask for guards needed.
- Engineer needed tomorrow
- Drillhouse idle
- Small ship on top for cover

240 22 et 23

- Two ~~kites~~ ^{curses} later undergoing ting
- Two ~~completes~~ ^{communicator break}
- Thursday ting complete

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20 Jan

any w [redacted] at all

[redacted] know that Redon's
condition is unacceptable

- dr. talked to [redacted]

- 10 Feb need symbolia
drop to [redacted]

- NEED TO HAVE [redacted]

• Count for 316

• Vector for flighty/Intell

• DEF

• Workload must be ~~reduced~~
to ~~prevent~~ xfer of

• Radios

• Console equip

• into Comm/Log etc

- for supply must include
[redacted] condition

Be place to man DEF

UNCLASSIFIED

#67 Chapter 3, Footnote

3-67

1459

10 Jan 80

UNCLASSIFIED

1459

- City of Coon Creek, Del P, Lucas, Thompson

- all 8 first, coast
- process problem

- Actions:

- wider political support for case
- broader 2nd backing for DEF
- 2nd Country first.
- Regional first.

- Identified

- These part program

- ① coast humanitarian
- ② coast strategy/training
planning/support
- ③

- Galin

- provide moral support
- provide humanitarian assistance
- provide

- Log's strategy must include
Coon Creek work on hill.

- strategy in support of Coon

- New Ridge & Sup request shd
be forwarded simultaneously.

12-88

all Delta side

4667

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3-69

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Chapter 3, Footnote 69

PAGE 9 2026

Non Relevant

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4668

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27 Feb 86
 REQUIRE CLEARANCE
 FOR 707 INTO 0 2027

[REDACTED] LATE SUNDAY
 85,000 lbs MUNITIONS,

COI EAST HAS TAIL #,
 CAPT'S NAME, ETC.

ALTERNATIVE IS [REDACTED]

Wt by Lew Tambor

- 12 Dec Auction O/C record by our
 drug runner.

- \$250-260K fee [REDACTED]

[REDACTED] - Crumb point w/ Calera

[REDACTED] going crazy

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4669

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27 Feb 86

0 2028

- ☐ Did drop load of Ammo
on C-7 out of [REDACTED]
- 744 by mail and
Airdrop for Units inside

- ① - AK-47's - 1000
~~1000~~
② - 50K Rds of 7.62/39
③ - 50K Rds of 7.62/51
- ~~Comms~~
- RPG-7's + 2 more

- ☐ Rebel Warden to contact
[REDACTED] Saturday Night

- ☐ [REDACTED] using DC-4 for drop in
drop to T/F on [REDACTED]

- ☐ [REDACTED]

- ☐ [REDACTED] - weapons & etc.
Jack Lamm

(4670)

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PAGES Q 2029 thru Q 2032

Non Relevant

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Chapter 3, footnote 71

PAGES 9 2003 thru 9 2011

Non Relevant

4671

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U Call [REDACTED] 2012

Find A/C: L-100

See Denby C7 found by

SUCIT crew

2330 Corner for SUCIT

- Hakim is problem in that locals will recognize him as "enemy of state"
- need fluent farsi speaker

GRO- home: [REDACTED]
OFFICE: [REDACTED]

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(4672)

3-84

See Hearing Exhibit TC-6

To	Name and Address	Date	Class
1	Robert McFarlane		
2			
3			
4			
5			
6			

X	ACTION	FILE
	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
	DISPATCH	SIGNATURE

REMARKS

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzinski (#5)

7636

#62

UNCLASSIFIED~~TOP SECRET~~

N 16885

NSC/ICS CONTROL NO 401214

COPY NO. 1 OF 5

HANDLE VIA SYSTEM IV CHANNEL ONLY

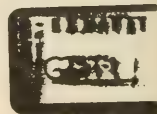
3-87

NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 5 May 1992
Under provisions of E.O. 12958
by D. Rogers, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

~~TOP SECRET~~
UNCLASSIFIED
~~SECRET~~



System # 14Package # 401214**UNCLASSIFIED**

1-13

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	<u>1</u>	<u>PT</u>	<u>N 16006</u>
Bob Kimmitt	<u>2</u>	<u>K</u>	
John Poindexter	<u>3</u>	<u>C</u>	
Tom Shull		<u>/</u>	
Wilma Hall	<u>4</u>		
Bud McFarlane	<u>5</u>	<u>M</u>	<u>A</u>
Bob Kimmitt			
NSC Secretariat <u>Jim</u>	<u>7</u>		<u>R</u>
Situation Room		<u>J</u>	
<input type="checkbox"/> Information <input checked="" type="checkbox"/> Action <input type="checkbox"/> Retain <input type="checkbox"/> Dispatch <input type="checkbox"/> No further Action			

cc: VP Meese Baker Daguer Other _____

COMMENTS

Should be seen by: _____
(Date/Time)**UNCLASSIFIED**

Chapter 3 Technical 87
100-100-100-100

MEMORANDUM

UNCLASSIFIED
NATIONAL SECURITY COUNCILPartially Declassified 27 FEB 1997
December 4, 1984

ACTION

N 16887

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Assistance for the Nicaraguan Resistance

In accord with prior understanding, I met on Wednesday, November 28, with Defense Attache, Embassy of the, Gaston Sigur arranged the luncheon meeting at the Cosmos Club and was present throughout.

As agreed, I explained to your purpose in the meeting was to clarify questions which had been raised in Canada regarding an arms transaction destined. I explained that an intermediary had advised that apparently made a decision not to proceed with the Canadian-originated arms sale. This offer of purchase included 10 SA-7 missile launchers, 30 missiles, 1 training unit, and 10 tracking units.

professed to be unaware of the Canadian transaction. I advised him that the purchase was not really intended for use by but rather for the Nicaraguan Resistance Forces. Further, the intermediary had indicated that the problem appeared to be the number of military officers who are graduates of the. As a consequence of the apparent reluctance to proceed with the sale showing, end user certificate, the Canadian arms dealer is preparing to re-initiate discussions for a similar delivery. was advised that the FDN would prefer to have the delivery as soon as possible, since the Soviet HIND-D helicopters were being assembled as we spoke.

was further advised that Adolfo Calero, the Head of the FDN, was willing to commit to a recognition once the Resistance Forces had succeeded. Indicated that he understood the message and would confer with the. He observed, for the record, that refused to become involved, in any way, in the internal affairs of another country. I indicated that we fully appreciated this position and noted that it was too bad that the Soviets, Bulgarians, and East Germans involved in Nicaragua did not feel the same way.

~~TOP SECRET~~
Declassify: OADR

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Later that afternoon, MGEN Jack Singlaub (U.S. Army, Retired) visited to advise of two meetings he had held early in the day regarding support for the Resistance. Singlaub passed on the following points:

Meeting with [REDACTED]

N 16888

- The FDN is in urgent need of anti-aircraft weapons and other crew-served weapons ammunition (particularly 60 and 81mm mortar rounds). Units in the field are also in need of large quantities of boots and clothing since the number of ralliers has exceeded expectations by 2,000.
- The Resistance Forces are also in urgent need of expertise in maritime operations.
- The USG is unaware of the Singlaub mission and he is making this request based on his long friendship. Because of the law restricting USG involvement, no USG official can solicit on behalf the Resistance Forces.
- If [REDACTED] like to help, Singlaub can arrange a meeting with Adolfo Calero. If it is necessary for a USG official to verify Calero's bona fides, this can be arranged.

Meeting with [REDACTED]

- By agreement with Calero, Singlaub advised [REDACTED] since [REDACTED] had turned down the earlier FDN request for assistance, [REDACTED] the Resistance movement had approached [REDACTED].
- The Resistance still is in need of financial support, munitions, and training assistance.
- [REDACTED] this was a "considerably different situation" than that which he had been aware of earlier. While not committing to support, he noted to Singlaub that this new information might make a difference.


~~TOP SECRET~~

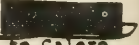
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~~TOP SECRET~~

3

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 This weekend, at the request of Sec. John Lehman, I met with ^{N 16882} David Walker, a former British SAS officer who now heads two companies (KMS and SALADIN) which provide professional security services to foreign governments. Walker had been approached several months ago, prior to initiating the current financial arrangement for the FDN. In addition to the security services provided by KMS, this offshore (Jersey Islands) company also has professional military "trainers" available. Walker suggested that he would be interested in establishing an arrangement with the FDN for certain special operations expertise aimed particularly at destroying HIND helicopters. Walker quite accurately points out that the helicopters are more easily destroyed on the ground than in the air. 

Unless otherwise directed, Walker will be introduced to Calero and efforts will be made to defray the cost of Walker's operations from other than Calero's limited assets. 

~~TOP SECRET~~

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-- 100395 --

[illegible]

When sent a good method, went to Canton to try and reassure our friends in that area, and resistance that we might get leading the Congressmen. In the past years, I have been coming this effort, it was the most depressing episode in my life. There is great despair that so may fall in this effort and the resistance support act. We desired more money. They thought we can get the same amount in money that we can bridge things again, but time is running out. The answer is, we have to get more money. We have delivered over \$200 along w/ the money. So far we have more 5% coming, have delivered over \$200 to the supplies and statement the pot is almost empty. have told us to

48. *Conium*

N 12136

15#

[illegible]

7

Chapter 3, Footnote 108

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3-108

BJW

Estate to Four ✓

2210

Dimes in 3d Century

Call De Cady R

10/4/11

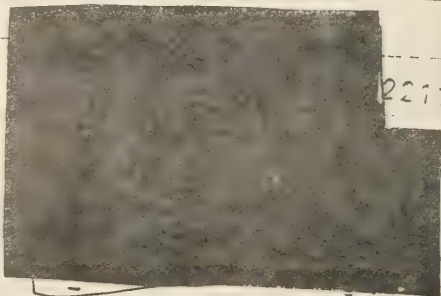
F-100

4476

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18 Jun



2217

☐ Qty. / A.C.
☐ Peace - Saver
☐ Brown's - Bare P.C.
☐ Carbon - Flying
☐ Test Recorder / Camera / Radio

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10 June

2272

1838

88/21

4678

J Ben Wilkins

Adolfo Alvarez
John Albeck, Stuart Gordiner

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11 Dec 86 2213

11:50 - Call from Nir

• Corba eggs

- Kwantin awarded Rafanjin to start printing grand of public for acceptance so that it can be accepted if made public.

- Rafanjin called in for press Re

French U.S. hostages

Not at U.S.

- "If U.S. is not following the better relations are possible"

- Rafanjin graduated prep in

- Ready to pay for 2 Babar

- Some money if avail

- want 210 w/ us

- want 30 to buy

- Doing what is to be done

88/211

(4679)

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18 Jun

2214

- Don to call Arabian
or [REDACTED]

- They want the whole delivery
and the whole relationship
to improve

- Focus on one of 248

- Introduced Service Service Inn
1800 Cool Spring Drive
Alexandria, Va. 22308

[REDACTED]
ID Service Bank, N.A.
Richmond, Va.

Service Bank, N.A.
600 W. Washington St.
Alex. Va. 22314

Telex 823468
Service Bank

[REDACTED]

① Only with [REDACTED]

Phone/ fax
network/comm

② Offshore line

③ Lower?

④ Drive O'Leary

1/26/88

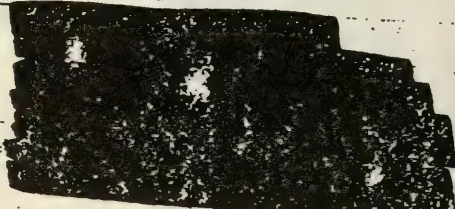
4680

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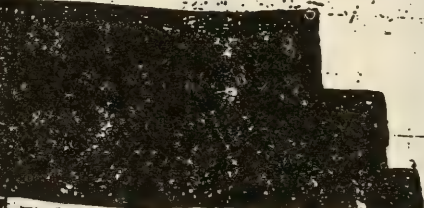
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18 June 86

2215



13 June 86



1148

- Red Neutral Action

- Containing flying

- A 3	F 1
- B 5	G 2
- C 8	H 9
- D 1	I 8
- E C	J 4

Mexico - Air

GROUND



88/921

4681

UNCLASSIFIED

UNCLASSIFIED

18 June 88

Q 2216

88/921

4682

1928

- Charlie Allen

note re

outg

19 June 1988

W452

to be

- 1938 - Dewey

UNCLASSIFIED

Chapter 3, Footnote 108

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1211 GENEVE EAUX-VIVES
TEL. 022/36 53 80
25 JUN 86

Under Notice Number DU-REF
ZA 0625-9250-153

DEBIT ADVICE

WE HAVE DEBITED THE ACCOUNT ON THE RIGHT
AS PER ORDER OF 25 JUN 86

	US\$	500,000.00
CHARGES	US\$	8.02
	-----	-----
VAL 27 JUN 86	US\$	500,008.02
-----	*****	-----

TOYCO SA

H 495

Ramo Conto Conto Acc No

CURRENT ACCOUNT

Zahlungsgrund/Motif du paiement Motivo de pagamento/Details of payment
ATTN DE MR MARIANO

BENEFICIARY

MUNZER ALKASSAR

Contr DSJO
207

Hochachtungsvoll/Respectfully Cordially yours
SCHWEIZERISCHE KREDITANSTALT
CREDIT SUISSE CREDITO SVIZZERO
Formula ohne Unterschrift Formula sans signature
Modulo senza firma Form without signature

TELEX/TELEGRAM TO
BANCO DE BILBAO
MADRELLA SPAIN TX.77209

1 No 7708 1.85 1980

4683

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3-111

CLASSIFIED AT TIME OF PUBLICATION.

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Tashir

3-122

447

N 37

(ROBINSON)

JUNE 10, 1986

DROPBY CSIS BRIEFING

THANK YOU AND GOOD EVENING. IT'S AN HONOR TO SPEAK TODAY BEFORE THE MEMBERS AND GUESTS OF THE GEORGETOWN UNIVERSITY CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES -- AN INSTITUTION WHOSE WORK SO DIRECTLY AFFECTS THE SECURITY OF OUR NATION. I WANT TO COMMEND YOUR FOUNDERS, ADMIRAL (ARE-LEE) BURKE AND AMBASSADOR DAVID ABSHIRE, AND YOUR PRESIDENT AND CHIEF EXECUTIVE OFFICER, JOE JORDAN, FOR ALL THEY HAVE DONE TO MAKE THIS INSTITUTION SO WORTHY OF RESPECT. PERMIT ME TO COMMEND, AS WELL, THOSE OF YOU PRESENT TODAY FROM THE PRIVATE SECTOR, IN SUPPORTING C.S.I.S., YOU DO YOURSELVES AND OUR NATION A SERVICE.

UNCLASSIFIED

4684

N1523
12/1/86
KS

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N 3739

- 2 -

GREETINGS TO BUD MCFARLANE,
JIM SCHLESINGER, AND ZBIG BRZEZINSKI --
MEN WHO DEMONSTRATE THAT, IN ITS ESSENTIALS,
OUR FOREIGN POLICY CAN INDEED REMAIN
BIPARTISAN. BY THE WAY, BUD, THANKS FOR
THE INVITATION. AND, OF COURSE, WARM
REGARDS TO YOUR HONOREE, ANNE ARMSTRONG.
COUNSELOR TO TWO PRESIDENTS, AMBASSADOR
TO GREAT BRITAIN, CHAIRMAN OF THE
PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY
BOARD -- NO ONE HAS SET A HIGHER STANDARD
OF SERVICE TO OUR NATION THAN ANNE.
CONGRATULATIONS, MY FRIEND.

THIS EVENING I WOULD LIKE TO SPEAK
BRIEFLY ON A MATTER OF CENTRAL IMPORTANCE
TO THE SECURITY OF OUR NATION AND
HEMISPHERE, BUT A MATTER, ABOVE ALL,
OF CENTRAL IMPORTANCE TO THE CAUSE OF HUMAN
LIBERTY. I REFER TO AID FOR THE DEMOCRATIC
RESISTANCE FORCES OF NICARAGUA.

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N 3740

- 3 -

NOW, I KNOW THAT EACH OF YOU IS A FOREIGN POLICY EXPERT AND THAT YOU HAVE STUDIED THIS ISSUE, EACH OF YOU, IN DETAIL: I VALUE THAT. BUT IN THE COMPLEX OF POLITICS -- IN THE MIDST OF ALL THE TWISTINGS AND TURNINGS -- ONE CAN SOMETIMES DISCERN A MOMENT OF IMPENDING DECISION, A MOMENT TO REDUCE THE ISSUE AT HAND TO THE PLAIN FACTS AND SUBMIT, IF YOU WILL, THE CLOSING ARGUMENT. WITH YOUR PERMISSION; I WOULD LIKE TO SUBMIT THAT ARGUMENT THIS EVENING, BEFORE YOU AND THE NATION.

AFTER THE NEARLY 7 YEARS DURING WHICH THE NICARAGUAN COMMUNISTS HAVE HELD POWER, THERE CAN NO LONGER BE ANY LEGITIMATE DOUBT ABOUT THE NATURE OF THEIR REGIME. THERE IS A BRAVE MAN IN NICARAGUA, A MAN WHO COURAGEOUSLY OPPOSED THE SOMOZA DICTATORSHIP.

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N 3741

- 4 -

LISTEN FOR A MOMENT TO THAT MAN, TO THE WORDS OF CARDINAL OBANDO Y BRAVO, ARCHBISHOP OF MANAGUA, AS THEY RECENTLY APPEARED IN THE WASHINGTON POST: TO CONSIDER THE SANDINISTA REGIME DEMOCRATIC IS, CARDINAL OBANDO Y BRAVO ASSERTS, "...TO IGNORE THE MASS EXODUS OF THE MISKITO INDIANS, WHO, ON NUMEROUS OCCASIONS, FLED IN THE THOUSANDS.... IT IS ALSO TO IGNORE THE DEPARTURE OF TENS OF THOUSANDS OF NICARAGUAN MEN AND WOMEN OF EVERY AGE, PROFESSION, ECONOMIC STATUS, AND POLITICAL PERSUASION. IT IS TO IGNORE THAT MANY OF THOSE WHO ARE LEADERS OR PARTICIPANTS IN THE COUNTER-REVOLUTION WERE ONCE LEADERS OR MEMBERS OF THE SANDINISTA FRONT OR WERE MINISTERS IN THE SANDINISTA GOVERNMENT.

"IT IS TO IGNORE THE LACK OF ANY JUSTIFICATION FOR THE MOST TERRIBLE VIOLATION OF FREEDOM OF THE PRESS AND OF SPEECH IN THE HISTORY OF OUR COUNTRY.

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N 3742

- 5 -

IT IS TO IGNORE THE PROGRESSIVE AND SUFFOCATING RESTRICTION OF PUBLIC LIBERTIES, UNDER THE COVER OF AN INTERMINABLE NATIONAL EMERGENCY LAW AND THE CONTINUAL VIOLATION OF HUMAN RIGHTS. IT IS TO IGNORE THE EXPULSION OF PRIESTS AND THE MASS EXODUS OF YOUNG PEOPLE ELIGIBLE FOR MILITARY SERVICE.... NONE OF THIS IS TRUE OF A GOVERNMENT THAT HAS THE SYMPATHY AND GENERAL SUPPORT OF THE PEOPLE." I MIGHT ADD THAT NOT LONG AFTER CARDINAL OBANDO Y BRAVO WROTE THAT STATEMENT FOR THE WASHINGTON POST, THE SANDINISTA REGIME CUT OFF ELECTRICITY TO HIS OFFICE -- ONE MORE ACT OF HARASSMENT AMONG MANY SCORES OF SUCH ACTS VISITED UPON HIM.

YET DESPITE THE BRUTAL AND TOTALITARIAN NATURE OF THE SANDINISTA REGIME, THE STRUGGLE FOR FREEDOM INSIDE NICARAGUA CONTINUES, BY THE THOUSANDS, MEN AND WOMEN HAVE MOVED INTO THE COUNTRYSIDE AND TAKEN UP ARMS.

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N 3743

- 6 -

INDEED, TODAY THESE DEMOCRATIC RESISTANCE FORCES NUMBER SOME 20,000 -- FOUR TIMES THE NUMBER OF TROOPS THE SANDINISTAS HAD IN THE FIELD WHEN THEY THEMSELVES SEIZED POWER. IN FULL KNOWLEDGE, THE MEMBERS OF THE RESISTANCE HAVE CHOSEN TO SEPARATE THEMSELVES FROM THEIR FAMILIES AND HOMES; TO LIVE IN CONDITIONS OF IMMENSE HARDSHIP, OFTEN WITH SCANT WATER AND FOOD, AND TO EXPOSE THEMSELVES TO THE DANGERS OF BATTLE. THEY FIGHT TO LIBERATE THEIR COUNTRY FROM A REGIME LOYAL ONLY TO COMMUNIST POWERS. THEY FIGHT FOR FREEDOM.

JUST AS THE MEN AND WOMEN OF THE RESISTANCE HAVE DECIDED WHAT THEY MUST DO, SO, TOO, HAVE GORBACHEV, CASTRO, ARAFAT, AND QADHAFI. SOVIET MILITARY ADVISORS IN NICARAGUA NUMBER IN THE HUNDREDS.

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N 3744

- 7 -

THE SANDINISTAS POSSESS AT LEAST SIX SOVIET-BUILT HIND ATTACK HELICOPTERS -- HELICOPTERS THAT REPRESENT, IN EFFECT, FLYING TANKS. CUBAN TROOPS SWARM THE STREETS OF MANAGUA BY THE SCORES, AND THE P.L.O. HAS ESTABLISHED AN EMBASSY THERE. LINKS BETWEEN THE SANDINISTAS, THE P.L.O., THE LIBYANS, AND OTHERS ARE EXTENSIVE. AND LET NO ONE FORGET THE PHOTOGRAPH OF LIBYA'S QADHAFI AND THE SANDINISTAS' ORTEGA -- THERE THEY STAND, THEIR FISTS CLENCHED IN A SALUTE OF SOLIDARITY.

THE COMMUNISTS HAVE MADE THEIR DECISION; THE RESISTANCE HAS MADE ITS DECISION. NOW WE MUST MAKE OURS. THE CHOICE IS STARK; THE CHOICE IS UNAVOIDABLE. WE CAN HELP OUR NEIGHBORS IN THEIR STRUGGLE FOR FREEDOM. OR, BY DOING NOTHING, WE CAN ABANDON THEM TO A COMMUNIST DICTATORSHIP.

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N 3745

- 8 -

OVER 3 MONTHS AGO, I SUBMITTED TO THE CONGRESS A PLAN TO PROVIDE THE RESISTANCE FORCES OF NICARAGUA WITH \$100 MILLION IN URGENTLY NEEDED SUPPORT. MORE THAN 2 MONTHS AGO, THE SENATE APPROVED THE PLAN. NOW AT LAST A NEW VOTE IN THE HOUSE IS SCHEDULED TO TAKE PLACE. I WANT THE HOUSE -- I WANT THE COUNTRY -- TO KNOW HOW MUCH IS RIDING ON THIS DECISION.

IF THE HOUSE CHOOSES TO DENY TO THE NICARAGUAN RESISTANCE THE HELP IT NEEDS AND DESERVES, THIS WILL IN EFFECT GRANT PERMISSION TO THE SANDINISTAS TO IGNORE ANY NEGOTIATED SETTLEMENT AND PURSUE A MILITARY VICTORY INSTEAD.

THE FINAL OUTCOME IS ONLY TOO PREDICTABLE. BACKED BY A STEADY SUPPLY OF ARMS FROM THE SOVIETS AND CUBANS, THE SANDINISTAS WILL BE ABLE TO PIN DOWN THE FREEDOM FIGHTERS, SURROUND THEM, AND, IN TIME, CRUSH THEM.

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N 37461

- 9 -

WHATEVER IS LEFT OF FREE INSTITUTIONS IN NICARAGUA WILL BE UTTERLY DESTROYED, AND UPON THE RUINS OF NICARAGUA'S BEST YEARNINGS AND ASPIRATIONS, UPON THE MUTILATED HOPES OF HER PEOPLE, A SECOND CUBA -- INDEED A SECOND LIBYA -- WILL HAVE BEEN RUTHLESSLY BUILT. WE CAN BE CERTAIN THAT TENS OF THOUSANDS OF NICARAGUAN REFUGEES WILL SEEK TO INUNDATE OUR SOUTHERN STATES. MORE THAN A QUARTER OF A MILLION NICARAGUANS -- NEARLY 10 PERCENT OF THE ENTIRE POPULATION -- HAVE ALREADY FLED THE COUNTRY.

BUT NONE OF THIS NEED TAKE PLACE. IF THE HOUSE VOTES TO GIVE THE NICARAGUAN RESISTANCE THE SUPPORT WE HAVE PROPOSED, DEMOCRACY IN THAT NATION CAN BE GIVEN A CHANCE. AGAIN AND AGAIN, THE FREEDOM FIGHTERS HAVE PROVEN THEIR COMMITMENT TO JUST THIS HOPE. LAST MONTH THEY TOOK STEPS TO BROADEN THEIR POLITICAL BASE AND INCREASE THEIR SUPPORT AMONG THE NICARAGUAN PEOPLE.

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N 3747

- 10 -

WITH ADEQUATE TRAINING AND SUPPLIES,
THEY COULD MOBILIZE THE OPPRESSED PEOPLE OF
THEIR COUNTRY AND WIN UNTOLD NEW RECRUITS --
IF ONLY THE HOUSE VOTES "YES."

OUR GOAL IS NOT, REPEAT NOT, A MILITARY
SOLUTION. INSTEAD, WE SEEK TO HELP THE
FREEDOM FIGHTERS ACHIEVE ONLY THE LEVERAGE
THEY NEED TO BRING THE COMMUNISTS TO THE
TABLE AND NEGOTIATE A POLITICAL --
AND DEMOCRATIC -- SOLUTION. THREE TIMES,
THE RESISTANCE HAS ALREADY OFFERED TO PUT
DOWN ITS ARMS AND GO TO THE TABLE.
THREE TIMES, THE COMMUNISTS HAVE SAID "NO."
THE CATHOLIC CHURCH IN NICARAGUA SUPPORTS
AN INTERNAL RECONCILIATION AIMED AT
ACHIEVING DEMOCRACY. THE COMMUNISTS HAVE
REJECTED THIS PLAN. THE CONTADORA NATIONS
HAVE BACKED A NEGOTIATED PEACE, BASED,
AGAIN, UPON INTERNAL RECONCILIATION AND
DEMOCRACY.

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N 3748

- 11 -

THE SANDINISTAS HAVE REFUSED TO GRANT THESE PROPOSALS SERIOUS CONSIDERATION.

THE COMMUNISTS ARE INTRANSIGENT BECAUSE THEY BELIEVE THEY CAN AFFORD TO BE. EACH DAY THE MILITARY SITUATION IN NICARAGUA TWISTS ANOTHER DANGEROUS DEGREE IN FAVOR OF THE COMMUNISTS. IN THE MONTHS SINCE WE MADE OUR INITIAL REQUEST FOR ASSISTANCE, SOVIET-SUPPLIED WEAPONS IN NICARAGUA HAVE MOUNTED, CENSORSHIP AND OTHER HUMAN RIGHTS VIOLATIONS HAVE INCREASED, AND HUMAN SUFFERING HAS GROWN. NOW, THOSE WHO OPPOSE AID MUST ASK SEARCHING AND PAINFUL QUESTIONS. CAN WE BEAR RESPONSIBILITY FOR SUCH ANGUISH? CAN WE PERMIT OURSELVES TO ACQUIESCE IN THE SANDINISTA TACTIC OF DELAY, DELAY, DELAY?

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UNCLASSIFIED

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N 3749

- 12 -

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N 3750

- 13 -

WHAT IT COMES DOWN TO IN THE END IS THE MATTER OF WITNESS -- OF CHOOSING WHETHER TO BELIEVE THOSE WHOM WE KNOW TO BE PROVIDING US WITH ACCURATE REPORTS ABOUT NICARAGUA OR TO LISTEN INSTEAD TO THE WHISPERING VOICES WITHIN OUR OWN MINDS THAT SAY THERE IS NO TROUBLE THERE, NOT BECAUSE THAT IS THE TRUTH, BUT BECAUSE WE DO NOT CARE TO BE INCONVENIENCED BY THE NEED TO RISK ACTION.

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"YOUR MESSAGE ASKING ME FOR AN ARTICLE ARRIVED ON SUNDAY...JUST AS I FINISHED CELEBRATING MASS.... DURING THE MASS, I READ THE PASTORAL LETTER WHICH WE, THE BISHOPS OF NICARAGUA, HAD WRITTEN FOR HOLY WEEK.

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N 3751

- 14 -

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"IT WAS AT THIS POINT," THE CARDINAL WRITES, "WHEN THE CHURCH WAS GAGGED AND BOUND, THAT YOUR REQUEST ARRIVED. THE READING FOR THE DAY...PRICKED MY CONSCIENCE.

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N 3752

- 15 -

THE SANHEDRIN SENT FOR PETER AND JOHN,
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IS IT RIGHT IN GOD'S EYES FOR US TO OBEY YOU
RATHER THAN GOD? JUDGE FOR YOURSELVES.
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THOSE IN NICARAGUA WHO, LIKE CARDINAL
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TO US OF THINGS THEY HAVE SEEN AND HEARD.
AND LET US, PRAY GOD, MOVE TO HELP THEM.
THANK YOU, AND GOD BLESS YOU.

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DENIED IN

TOTAL

UNCLASSIFIED

4685

UNCLASSIFIED

3-124

447

N 37

(ROBINSON)

JUNE 10, 1986

DROPBY CSIS BRIEFING

THANK YOU AND GOOD EVENING. IT'S AN HONOR TO SPEAK TODAY BEFORE THE MEMBERS AND GUESTS OF THE GEORGETOWN UNIVERSITY CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES -- AN INSTITUTION WHOSE WORK SO DIRECTLY AFFECTS THE SECURITY OF OUR NATION. I WANT TO COMMEND YOUR FOUNDERS, ADMIRAL (ARE-LEE) BURKE AND AMBASSADOR DAVID ABSHIRE, AND YOUR PRESIDENT AND CHIEF EXECUTIVE OFFICER, JOE JORDAN, FOR ALL THEY HAVE DONE TO MAKE THIS INSTITUTION SO WORTHY OF RESPECT. PERMIT ME TO COMMEND, AS WELL, THOSE OF YOU PRESENT TODAY FROM THE PRIVATE SECTOR, IN SUPPORTING C.S.I.S., YOU DO YOURSELVES AND OUR NATION A SERVICE.

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N 3739

- 2 -

GREETINGS TO BUD McFARLANE,
JIM SCHLESINGER, AND ZBIG BRZEZINSKI --
MEN WHO DEMONSTRATE THAT, IN ITS ESSENTIALS,
OUR FOREIGN POLICY CAN INDEED REMAIN
BIPARTISAN. BY THE WAY, BUD, THANKS FOR
THE INVITATION. AND, OF COURSE, WARM
REGARDS TO YOUR HONOREE, ANNE ARMSTRONG,
COUNSELOR TO TWO PRESIDENTS, AMBASSADOR
TO GREAT BRITAIN, CHAIRMAN OF THE
PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY
BOARD -- NO ONE HAS SET A HIGHER STANDARD
OF SERVICE TO OUR NATION THAN ANNE.
CONGRATULATIONS, MY FRIEND.

THIS EVENING I WOULD LIKE TO SPEAK
BRIEFLY ON A MATTER OF CENTRAL IMPORTANCE
TO THE SECURITY OF OUR NATION AND
HEMISPHERE, BUT A MATTER, ABOVE ALL,
OF CENTRAL IMPORTANCE TO THE CAUSE OF HUMAN
LIBERTY. I REFER TO AID FOR THE DEMOCRATIC
RESISTANCE FORCES OF NICARAGUA.

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N 3740

- 3 -

NOW, I KNOW THAT EACH OF YOU IS A FOREIGN POLICY EXPERT AND THAT YOU HAVE STUDIED THIS ISSUE, EACH OF YOU, IN DETAIL: I VALUE THAT. BUT IN THE COMPLEX OF POLITICS -- IN THE MIDST OF ALL THE TWISTINGS AND TURNINGS -- ONE CAN SOMETIMES DISCERN A MOMENT OF IMPENDING DECISION, A MOMENT TO REDUCE THE ISSUE AT HAND TO THE PLAIN FACTS AND SUBMIT, IF YOU WILL, THE CLOSING ARGUMENT. WITH YOUR PERMISSION; I WOULD LIKE TO SUBMIT THAT ARGUMENT THIS EVENING, BEFORE YOU AND THE NATION.

AFTER THE NEARLY 7 YEARS DURING WHICH THE NICARAGUAN COMMUNISTS HAVE HELD POWER, THERE CAN NO LONGER BE ANY LEGITIMATE DOUBT ABOUT THE NATURE OF THEIR REGIME. THERE IS A BRAVE MAN IN NICARAGUA, A MAN WHO COURAGEOUSLY OPPOSED THE SOMOZA DICTATORSHIP.

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LISTEN FOR A MOMENT TO THAT MAN, TO THE WORDS OF CARDINAL OBANDO Y BRAVO, ARCHBISHOP OF MANAGUA, AS THEY RECENTLY APPEARED IN THE WASHINGTON POST: TO CONSIDER THE SANDINISTA REGIME DEMOCRATIC IS, CARDINAL OBANDO Y BRAVO ASSERTS, "...TO IGNORE THE MASS EXODUS OF THE MISKITO INDIANS, WHO, ON NUMEROUS OCCASIONS, FLED IN THE THOUSANDS.... IT IS ALSO TO IGNORE THE DEPARTURE OF TENS OF THOUSANDS OF NICARAGUAN MEN AND WOMEN OF EVERY AGE, PROFESSION, ECONOMIC STATUS, AND POLITICAL PERSUASION. IT IS TO IGNORE THAT MANY OF THOSE WHO ARE LEADERS OR PARTICIPANTS IN THE COUNTER-REVOLUTION WERE ONCE LEADERS OR MEMBERS OF THE SANDINISTA FRONT OR WERE MINISTERS IN THE SANDINISTA GOVERNMENT.

"IT IS TO IGNORE THE LACK OF ANY JUSTIFICATION FOR THE MOST TERRIBLE VIOLATION OF FREEDOM OF THE PRESS AND OF SPEECH IN THE HISTORY OF OUR COUNTRY.

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IT IS TO IGNORE THE PROGRESSIVE AND SUFFOCATING RESTRICTION OF PUBLIC LIBERTIES, UNDER THE COVER OF AN INTERMINABLE NATIONAL EMERGENCY LAW AND THE CONTINUAL VIOLATION OF HUMAN RIGHTS. IT IS TO IGNORE THE EXPULSION OF PRIESTS AND THE MASS EXODUS OF YOUNG PEOPLE ELIGIBLE FOR MILITARY SERVICE..... NONE OF THIS IS TRUE OF A GOVERNMENT THAT HAS THE SYMPATHY AND GENERAL SUPPORT OF THE PEOPLE." I MIGHT ADD THAT NOT LONG AFTER CARDINAL OBANDO Y BRAVO WROTE THAT STATEMENT FOR THE WASHINGTON POST, THE SANDINISTA REGIME CUT OFF ELECTRICITY TO HIS OFFICE -- ONE MORE ACT OF HARASSMENT AMONG MANY SCORES OF SUCH ACTS VISITED UPON HIM.

YET DESPITE THE BRUTAL AND TOTALITARIAN NATURE OF THE SANDINISTA REGIME, THE STRUGGLE FOR FREEDOM INSIDE NICARAGUA CONTINUES; BY THE THOUSANDS, MEN AND WOMEN HAVE MOVED INTO THE COUNTRYSIDE AND TAKEN UP ARMS.

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INDEED, TODAY THESE DEMOCRATIC RESISTANCE FORCES NUMBER SOME 20,000 -- FOUR TIMES THE NUMBER OF TROOPS THE SANDINISTAS HAD IN THE FIELD WHEN THEY THEMSELVES SEIZED POWER. IN FULL KNOWLEDGE, THE MEMBERS OF THE RESISTANCE HAVE CHOSEN TO SEPARATE THEMSELVES FROM THEIR FAMILIES AND HOMES; TO LIVE IN CONDITIONS OF IMMENSE HARDSHIP, OFTEN WITH SCANT WATER AND FOOD, AND TO EXPOSE THEMSELVES TO THE DANGERS OF BATTLE. THEY FIGHT TO LIBERATE THEIR COUNTRY FROM A REGIME LOYAL ONLY TO COMMUNIST POWERS. THEY FIGHT FOR FREEDOM.

JUST AS THE MEN AND WOMEN OF THE RESISTANCE HAVE DECIDED WHAT THEY MUST DO, SO, TOO, HAVE GORBACHEV, CASTRO, ARAFAT, AND QADHAFI. SOVIET MILITARY ADVISORS IN NICARAGUA NUMBER IN THE HUNDREDS.

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THE SANDINISTAS POSSESS AT LEAST SIX SOVIET-BUILT HIND ATTACK HELICOPTERS -- HELICOPTERS THAT REPRESENT, IN EFFECT, FLYING TANKS. CUBAN TROOPS SWARM THE STREETS OF MANAGUA BY THE SCORES, AND THE P.L.O. HAS ESTABLISHED AN EMBASSY THERE. LINKS BETWEEN THE SANDINISTAS, THE P.L.O., THE LIBYANS, AND OTHERS ARE EXTENSIVE. AND LET NO ONE FORGET THE PHOTOGRAPH OF LIBYA'S QADHAFI AND THE SANDINISTAS' ORTEGA -- THERE THEY STAND, THEIR FISTS CLENCHED IN A SALUTE OF SOLIDARITY.

THE COMMUNISTS HAVE MADE THEIR DECISION; THE RESISTANCE HAS MADE ITS DECISION. NOW WE MUST MAKE OURS. THE CHOICE IS STARK; THE CHOICE IS UNAVOIDABLE. WE CAN HELP OUR NEIGHBORS IN THEIR STRUGGLE FOR FREEDOM. OR, BY DOING NOTHING, WE CAN ABANDON THEM TO A COMMUNIST DICTATORSHIP.

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OVER 3 MONTHS AGO, I SUBMITTED TO THE CONGRESS A PLAN TO PROVIDE THE RESISTANCE FORCES OF NICARAGUA WITH \$100 MILLION IN URGENTLY NEEDED SUPPORT. MORE THAN 2 MONTHS AGO, THE SENATE APPROVED THE PLAN. NOW AT LAST A NEW VOTE IN THE HOUSE IS SCHEDULED TO TAKE PLACE. I WANT THE HOUSE -- I WANT THE COUNTRY -- TO KNOW HOW MUCH IS RIDING ON THIS DECISION.

IF THE HOUSE CHOOSES TO DENY TO THE NICARAGUAN RESISTANCE THE HELP IT NEEDS AND DESERVES, THIS WILL IN EFFECT GRANT PERMISSION TO THE SANDINISTAS TO IGNORE ANY NEGOTIATED SETTLEMENT AND PURSUE A MILITARY VICTORY INSTEAD.

THE FINAL OUTCOME IS ONLY TOO PREDICTABLE. BACKED BY A STEADY SUPPLY OF ARMS FROM THE SOVIETS AND CUBANS, THE SANDINISTAS WILL BE ABLE TO PIN DOWN THE FREEDOM FIGHTERS, SURROUND THEM, AND, IN TIME, CRUSH THEM.

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WHATEVER IS LEFT OF FREE INSTITUTIONS IN NICARAGUA WILL BE UTTERLY DESTROYED, AND UPON THE RUINS OF NICARAGUA'S BEST YEARNINGS AND ASPIRATIONS, UPON THE MUTILATED HOPES OF HER PEOPLE, A SECOND CUBA -- INDEED A SECOND LIBYA -- WILL HAVE BEEN RUTHLESSLY BUILT. WE CAN BE CERTAIN THAT TENS OF THOUSANDS OF NICARAGUAN REFUGEES WILL SEEK TO INUNDATE OUR SOUTHERN STATES. MORE THAN A QUARTER OF A MILLION NICARAGUANS -- NEARLY 10 PERCENT OF THE ENTIRE POPULATION -- HAVE ALREADY FLED THE COUNTRY.

BUT NONE OF THIS NEED TAKE PLACE. IF THE HOUSE VOTES TO GIVE THE NICARAGUAN RESISTANCE THE SUPPORT WE HAVE PROPOSED, DEMOCRACY IN THAT NATION CAN BE GIVEN A CHANCE. AGAIN AND AGAIN, THE FREEDOM FIGHTERS HAVE PROVEN THEIR COMMITMENT TO JUST THIS HOPE. LAST MONTH THEY TOOK STEPS TO BROADEN THEIR POLITICAL BASE AND INCREASE THEIR SUPPORT AMONG THE NICARAGUAN PEOPLE.

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WITH ADEQUATE TRAINING AND SUPPLIES,
THEY COULD MOBILIZE THE OPPRESSED PEOPLE OF
THEIR COUNTRY AND WIN UNTOLD NEW RECRUITS --
IF ONLY THE HOUSE VOTES "YES."

OUR GOAL IS NOT, REPEAT NOT, A MILITARY
SOLUTION. INSTEAD, WE SEEK TO HELP THE
FREEDOM FIGHTERS ACHIEVE ONLY THE LEVERAGE
THEY NEED TO BRING THE COMMUNISTS TO THE
TABLE AND NEGOTIATE A POLITICAL --
AND DEMOCRATIC -- SOLUTION. THREE TIMES,
THE RESISTANCE HAS ALREADY OFFERED TO PUT
DOWN ITS ARMS AND GO TO THE TABLE.
THREE TIMES, THE COMMUNISTS HAVE SAID "NO."
THE CATHOLIC CHURCH IN NICARAGUA SUPPORTS
AN INTERNAL RECONCILIATION AIMED AT
ACHIEVING DEMOCRACY. THE COMMUNISTS HAVE
REJECTED THIS PLAN. THE CONTADORA NATIONS
HAVE BACKED A NEGOTIATED PEACE, BASED,
AGAIN, UPON INTERNAL RECONCILIATION AND
DEMOCRACY.

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N 3748

- 11 -

THE SANDINISTAS HAVE REFUSED TO GRANT THESE PROPOSALS SERIOUS CONSIDERATION.

THE COMMUNISTS ARE INTRANSIGENT BECAUSE THEY BELIEVE THEY CAN AFFORD TO BE. EACH DAY THE MILITARY SITUATION IN NICARAGUA TWISTS ANOTHER DANGEROUS DEGREE IN FAVOR OF THE COMMUNISTS. IN THE MONTHS SINCE WE MADE OUR INITIAL REQUEST FOR ASSISTANCE, SOVIET-SUPPLIED WEAPONS IN NICARAGUA HAVE MOUNTED, CENSORSHIP AND OTHER HUMAN RIGHTS VIOLATIONS HAVE INCREASED, AND HUMAN SUFFERING HAS GROWN. NOW, THOSE WHO OPPOSE AID MUST ASK SEARCHING AND PAINFUL QUESTIONS. CAN WE BEAR RESPONSIBILITY FOR SUCH ANGUISH? CAN WE PERMIT OURSELVES TO ACQUIESCE IN THE SANDINISTA TACTIC OF DELAY, DELAY, DELAY?

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N 3749

- 12 -

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N 3750

- 13 -

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N 3751

- 14 -

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N 3752

- 15 -

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Chapter 3, Footnotes 123, 125

UNCLASSIFIED

3-125

Pages N 10288 to N 10299

DENIED IN

TOTAL

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4685

Chapter 3, Toxicologic 130

10000 1024

00/00/00 15:02:11
 MSG FROM: RTN --CPOA
 TO: RTN --CPOA
 TO: RTN --CPOA

FROM: P00017498 MAIL
 Subject: Details these meeting re Castro 010
 re Forwarding note from WFLA --CPA 06/01/84, 11:00
 For info --CPA

FROM: Peter Wolf 1801
 SUBJECT: Seattle Times Meeting re (cont'd) 110
 Ple print this on your machine if at all possible.
 --PWB
 RE: Forwarding date (re BAPN 6/28/86 10:16 ***

JOHN A. POLINSKY

254977; Amos Thoren meeting on "Civil Liberties Day" was attended by Abrams, Buchanan, Rice, Ball, several from public library, and Bill Perry and one from YAC. Some time was spent talking overpass up to date on

the untalkative, candida, etc., then gives us a basic outline of activation. Brown's office will draw up a written schedule of events to be circulated later this week. Basically it will be as follows:

-- Day 201 men leaders in Miami announce great success in their solicitation talks. State/Union concern also positive events.

-- Just as the leaders in Washington, and the
States and on the Hill. Can do so 'no other

and lectures on real American literature.
Apr. 1 on, with special emphasis, the
June 9, Public Library (reception committee)
collaboration which have reported on the course and

workshops organized by Rose 87, including some
potentially open-ended, which provide a place
to say and hear.

—Does it: President says old tax control American profits.

—Book of June 16: Fox is home.

There are other events, including Abay's re-

testimonies, or else will need additional high-level meetings with selected Congressmen. They expect that the political negotiators, especially the military members of the cabinet, are still working to convince the Congress to accept the plan. A new political strategy based on the fact that the military has done only the part of duty as it was against the Red Army, is being used to expedite the plan against Soviet intervention.

are abstract, or "relating representatively." Will Hall said the average Frenchman does that the very same way. British Frenchman was negative, "showing it as a 'rejection'." The people also say that it is a "rejection" not be

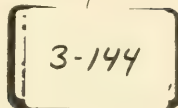
at, Department of State 5/6/87
 100-104000-100000
 by Regent, National Security Council

UNCLASSIFIED

479



OFFICE OF THE VICE PRESIDENT
WASHINGTON



N 46322

May 14, 1987

TO WHOM IT MAY CONCERN:

The schedule proposal of April 16, 1986 and the briefing memorandum of April 30, 1986, both relate to a 15-minute meeting held on May 1, 1986 with the Vice President. Four points should be made about these documents:

1. I had nothing to do with their preparation and did not see them until a document search was initiated in December, 1986.
2. I cannot account for the fact that the purpose of this meeting, according to these documents, was to discuss resupply of the Contras in addition to the war in El Salvador.
3. The subject of resupply of the Contras was not, repeat not, mentioned at all by anyone in the meeting with the Vice President on May 1, nor had there been any intention to discuss that subject.
4. Since I realized these documents were anomalous, I highlighted their existence in an interview with the staff of the House Permanent Select Committee on Intelligence held on December 17, 1986. Mike O'Neill was one of the staffers present.

Donald P. Gregg
Donald P. Gregg
Assistant to the Vice President
for National Security Affairs

DECLASSIFIED

Released on 22 June 1987
under provisions of E.O. 12350
By B. Rector / [unclear] / [unclear]

1232

OFFICE OF THE VICE PRESIDENT
WASHINGTON

N46323

UNCLASSIFIED

April 30, 1986

BRIEFING MEMORANDUM FOR THE VICE PRESIDENT

Event: Meeting with Felix Rodriguez
Date: Thursday, May 1, 1986
Time: 11:30-11:45 a.m. - West Wing
From: Don Gregg *dy*

I. PURPOSE

Felix Rodriguez, a counterinsurgency expert who is visiting from El Salvador, will provide a briefing on the status of the war in El Salvador and resupply of the Contras.

III. PARTICIPANTS

The Vice President	Felix Rodriguez
Craig Fuller	
Don Gregg	
Sam Watson	

IV. MEDIA COVERAGE

Staff photographer

UNCLASSIFIED

4/28/86

OFFICE OF THE VICE PRESIDENT
WASHINGTON, D.C.

N 46324

MEMORANDUM

Don Gregg

TO: **DEBBIE HUTTON** *ldjh*

SUBJECT: **APPROVED VICE PRESIDENTIAL ACTIVITY**

EVENT: Meeting with Felix Rodriguez

DATE: Thursday, May 1, 1986

TIME: 11:30 a.m.-11:45 a.m.

LOCATION: WW

ATTENDANCE: 3

REMARKS REQUIRED: None required

PRESS COVERAGE: Staff Photographer only

MRS. BUSH PARTICIPATION: No

DRESS: GENTLEMEN: Business Suit LADIES: _____

COMMENTS:

CONTACT(s) (1) Don Gregg () 4213

Name	Area Code	Number
(2) _____	() _____	_____
Name	Area Code	Number

CC:

C. FULLER
F. RHEDOURI
D. GRIES
S. GRAY
J. MCENTER
J. FITZGERALD

M. FITZWATER
S. P. ROSE
T. COLLAMORE
D. RYDER
C. JUDGE
D. VALDES

P. PRY
M. Mc
G. EN
B. MOO
D. GUGLIEMINO
USSS (3 copies)

T. McBRIDE
R. BARNETT
M. LEWIS
E. CONAWAY
P. BRADY
D. QUICHO

OFFICE OF THE VICE PRESIDENT

WASHINGTON

N 46325

April 16, 1986

SCHEDULE PROPOSAL

TO: DEBBIE HUTTON

FROM: DON GREGG

REQUEST: VP Meeting with Felix Rodriguez, a counterinsurgency expert visiting from El Salvador.

PURPOSE: To brief the Vice President on the status of the war in El Salvador and resupply of the Contras.

BACKGROUND: The Vice President has met previously with Mr. Rodriguez during his visits to Washington and will be interested in the current information he will be able to provide.

DATE: Anytime on April ~~22 or 23~~ ^{28 - MAY 2}

DURATION: 15 minutes

LOCATION: OEOB

PARTICIPANTS: The Vice President Felix Rodriguez
Craig Fuller
Don Gregg

REMARKS REQUIRED: None required.

MEDIA COVERAGE: Staff photographer

CONTACT: Don Gregg, 4213

RECOMMENDED BY: Don Gregg

UNCLASSIFIED

5/1 or 5/2 per Justine

5/1 - 11:30

WW
OEOB

M

Document No. N 37096Chapter 3 Ex: 152**UNCLASSIFIED****WHITE HOUSE STAFFING MEMORANDUM****3-152**DATE: 6/25/86ACTION/CONCURRENCE/COMMENT DUE BY: ASAPSUBJECT: STATEMENTS: Victory of Contra Aid Legislation
Defeat of Contra Aid Legislation

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input type="checkbox"/>	MILLER - ADMIN.	<input type="checkbox"/>	<input type="checkbox"/>
REGAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	POINDEXTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
MILLER - OMB	<input type="checkbox"/>	<input type="checkbox"/>	RYAN	<input type="checkbox"/>	<input type="checkbox"/>
BALL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SPEAKES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BARBOUR	<input type="checkbox"/>	<input type="checkbox"/>	SPRINKEL	<input type="checkbox"/>	<input type="checkbox"/>
BUCHANAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SVAHN	<input type="checkbox"/>	<input type="checkbox"/>
CHEW	<input type="checkbox"/>	<input checked="" type="checkbox"/>	THOMAS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DANIELS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	TUTTLE	<input type="checkbox"/>	<input type="checkbox"/>
HENKEL	<input type="checkbox"/>	<input type="checkbox"/>	WALLISON	<input type="checkbox"/>	<input type="checkbox"/>
KING	<input type="checkbox"/>	<input type="checkbox"/>	DOLAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>
KINGON	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
MASENG	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Attached are the proposed contra vote result inserts to the Santini remarks. From these inserts, short paragraphs can be drafted for a written statement. Please let Tony Dolan have your comments ASAP, with an info copy to my office. Thanks.

RESPONSE:

Change 4th of to "Defeat"
speech per conversation w/ Dolan/Chen
Thomas Tuck

UNCLASSIFIEDDavid L. Chew
Staff Secretary
Ext. 2702

UNCLASSIFIED

(Gilder)
June 25, 1986
11:30 a.m.

**PRESIDENTIAL STATEMENT: VICTORY OF CONTRA AID LEGISLATION
WEDNESDAY, JUNE 25, 1986**

The vote today in the House of Representatives signals a new era of bipartisan consensus in American foreign policy. I want to congratulate all those who voted to restore this spirit of bipartisan cooperation on foreign policy issues, a spirit that has served America so well through the perils of the postwar era. Once again, members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy.

As we approach the celebrations of our own Independence Day, we can be proud that we as a people have embraced the struggle of the freedom fighters of Nicaragua. Today, their cause is our cause. With our help, the people of Nicaragua will win their struggle to bring democracy to their land, remove the threat to Mexico and our own southern borders and restore again the prospects of peace -- and the chance for a better future -- to our hemisphere.

The cause is freedom, the cause is just, the cause will triumph.

Again my thanks to all those who labored so hard on this legislation.

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UNCLASSIFIED(Gilder/ARD)
June 25, 1986
10:45 a.m.**PRESIDENTIAL STATEMENT: DEFEAT OF CONTRA AID LEGISLATION
WEDNESDAY, JUNE 25, 1986**

The vote today in the House is a setback for peace and democracy in Central America. As I said yesterday in my speech to the Members of the House and the American people, delay is exceedingly costly. While we stand locked in debate, hope for freedom and democracy in Nicaragua is jeopardized, and the Soviets pursue their strategy to turn that country into a staging base for Communist terror and subversion throughout the Americas.

I want to emphasize to our supporters in the House, and in the Senate, and to the freedom fighters most of all: This setback is only a setback, this is not the end. We will never stop, never slacken in our support of the freedom fighters, until democracy triumphs in Nicaragua, and peace comes to Central America. I am confident of freedom's final victory in Nicaragua.

We must not deceive ourselves: the danger to our south will not vanish if we close our eyes; it will only get worse, much worse. Nicaragua is another Cuba on the American mainland, the leading wedge in an effort to destabilize our democratic friends and neighbors.

I hope that as this bill proceeds to conference, the House conferees will keep one thing foremost in their minds -- the grave threat posed by the Sandinista regime to the case of human rights, economic development, and peace in Central America. As we enter the conference, we must leave our partisan differences outside the door. On this issue we must not be Democrats or

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Page 2

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Republicans, just Americans, united in our commitment to freedom and our overriding concern for the national security of the United States.

I call on Democrats and Republicans alike to join in the support of freedom and peace in Central America, to come together to re-establish the bipartisan consensus in American foreign policy -- a consensus that has served us so well in this post-war era.

The cause is freedom. The cause is just. The cause will triumph.

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Chapter 3, Footnote 158

[REDACTED]

[REDACTED]

100 AUTO BOUND COMMISSIONERS SUBJECT

100 JUNE

[REDACTED]

100 JUNE 10/10/66 10/10/66 10/10/66

100 JUNE 10/10/66 10/10/66 10/10/66

100 JUNE 10/10/66 10/10/66 10/10/66

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[REDACTED]

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10000HRS Local [REDACTED] 07-11-86.

3-160

1. NVG tested and work better one we used.
2. Caribu NRL prop tools did not arrive 7/10 but should be here Monday. AC syst one phase failed. Lots of improper wiring. Need AC for instruments for run. Need zone 1 fire warning. ETIC depends on WX, further probs with wiring, work needed on NR2.
3. PIO recommend fly to MIA or Dothan for Comm/Nav and Iran.
4. Drops 1313N 8440W containing 3 pallets boots, 3 pallets 81MM mortars and ammo plus small ammo, 5 pallets medical, clothing and small ammo. We put it right on the lights and DZ reception confirmed.

////////

--From Max--

1. If you wants to know why we run out of money, let me just tell you. The telephone bill of only one house, the one from the So. Africans, close to 2,000 USD with calls to England, Germany, Kuwait, South Africa, and others. There is one call to England for 55 minutes costing 1,375.00. We have not receive yet the bills from the other houses. Pls send more money.

FIN

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under provision of E.O. 12958/
by B. Nege, National Security Council

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1130HRS L [REDACTED] 07-11-86.

1. [REDACTED] now working on planning for drop requested by [REDACTED]
First of a series. Estimated date and time will be Sunday 0445HRS
local, refueling at [REDACTED] at 0545HRS local.
2. In order to fulfill [REDACTED] request we need anti-biotic/wound-related,
anti-malaria, anti-amoebs/parasite, vitamins, syringes, mosquito
repellents/sticks, more one-man-pack/uniforms, rations, cordobas,
parachutes.
3. First drop will be done with ammo. and uniforms only, because
nothing else available but inform Goode that the items in No. 2
as important as ammo. for ground forces.
4. [REDACTED] mad at us for long over due delivery his repeat.
[REDACTED] took specs with him over 45 days ago.
5. [REDACTED] was informed negotiation for [REDACTED] did not
go through. Request original end-user [REDACTED]

BT

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Primary Investigator: [REDACTED] 1/26/88
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]

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From Bob

112000ZJUL86

- construction and
Can cover expenses if no surprises*
1. Pls let us know how money works out. Also how construction project is progressing. *7. Leon i will be done... not being worked on now... be ready in 1W*
 2. I will work the repeater problem here.
 3. I will get wi Goode asap on medicine.
 4. Pls check with [redacted] for medicine called Greisenfulvin, *recommended by [redacted]* which is supposed to be an acceptable substitute for other Mount Lep medicine.
 5. Inform So. Afcs. that they are responsible for this phone bill. If they don't pay we must remove the phone and advise [redacted] *Will do but must pay bill now.*
 6. Will work on end-user document asap.
 7. I am still not clear on where the rest of our 109 parachutes are. Did we ever get them? I need an accounting as to where we use them. *39 still await, we will buy, get it done*
 8. Pleased with outcome of North missions.
 9. For So. misns. we must be careful about flying back into the same drop area as before. If we are not we will be met by enemy ground or air..Hind..reception party. Pls give me a definitive sched. when available. *Will send sched after discussion w [redacted]*
 9. Get no. 1 Bo flying then we can discuss whether or when to get other work done. If we get Toad back to you Tues. we will have more options. [redacted] have some flying capability now..

Bob

BT

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1000 hrs LOCAL 07-13-86. 1.-HAVE EQUIP TO JURY RIG ONLY ONE MORE DROP FROM
 NEED IMMEDIATELY 30 PALLETS, 180 A-7A STRAPS, 120 CHUTES, 1 ROLL BOLD COTTON
 TAPE, 5 BOXES CONTAINER BARS, 36 1 HOUR CHEM LITES, 6 ROLLS 2 INCHES TAPE.
 DITTO: FOR WEEK BUT WITH 70 CHUTES. *///NEXT///1.-C-7 RETURNED*
 FROM OPN. 2.-DUE STRONG HEAD WINDS, ARRIVED DZ 1132Z, NO LIGHT PATTERN/
 DAY-LIGHT/. DROP MADE *THIS IS 1 1/2 MILES NW FROM ORIGINAL DZ, found out 4 of 7 bundles in main C-7 2 missed.*
 PEOPLE WERE SEEN IN A/O APPROACHING BUNDLES, ORIGINAL DZ PARTIALLY POPULATED.
 3.-CREW REPORTED LOOSING OIL PRESSURE ON WAY IN. DELAY DUE LOW
 OIL CONDITION. C-7 BEING CHECK, 4.-DURING OPN, NO COMM WITH A/C SINCE C-7 HF
 RADIO NOT WORKING. FIN

1600HRS LOCAL 07-13-86. 1.-NR1 ENGINE ON NR2 C-7 USED 19 GAL OIL IN 7 HRS 20 MIN
 FLT DURING SAT NITE OPN. LANDED FEATHERED WROC DUE LOW/10 ED. OIL PRESS AND
 HIGH TEMP. SERVICED WITH 14 GAL AND RETURNED *WHERE 5 MORE REQUIRED.*
 MAKING METAL/ALLOY/AT EXCESSIVE RATE. *ADVISES HIS OPINION AT LEAST ONE*
 PISTON FAILING AND OIL SYSTEM CONTAMINATED. PERFORMING BORE-SCOPE EXAM HE CONSIDERS
 ENGINE UNSAFE FOR FLT. I AGREE. PLS ADVISE *ADVISES HIS OPINION AT LEAST ONE*

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 under provision of E.O. 12356
 by R. J. G. National Security Council

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1000 hrs local 07-13-86. 1.-HAVE EQUIP TO JURY RIG ONLY ONE MORE DROP FROM [REDACTED] NEED IMMEDIATELY 30 PALLETS, 180 A-7A STRAPS, 120 CHUTES, 1 ROLL 80LB COTTON TAPE, 5 BOXES CONTAINER BANDS, 36 1 HOUR CHEM LITES, 6 ROLLS 2 INCHES TAPE. DITTO FOR [REDACTED] WEEK BUT WITH 70 CHUTES. [REDACTED] ///NEXT///1.-C-7 RETURNED FROM OPN. 2:00 PM STRONG HEAD WINDS, ARRIVED DZ 1132Z, NO LIGHT PATTERN/ DAY-LIGHT/. DROP MADE [REDACTED] THIS IS 1 1/2 MILES NW FROM ORIGINAL DZ, PEOPLE WERE SEEN IN A/O APPROACHING BUNDLES, ORIGINAL DZ PARTIALLY POPULATED. 3.-CREW REPORTED LOOSING OIL PRESSURE ON WAY IN. DELAY [REDACTED] DUE LOW OIL CONDITION. C-7 BEING CHECK, 4.-DURING OPN, NO COMMO WITH A/C SINCE C-7 HF RADIO NOT WORKING. FIN

Handwritten note:
 4 of 7
 bundles
 in each bundle
 2 marsh. 4

1600HRS LOCAL 07-13-86. 1.-NR1 ENGINE ON NR2 C-7 USED 19 GAL OIL IN 7 HRS 20 MIN FLT DURING SAT NITE OPN. LANDED FEATHERED PROCD DUE LOW/10 LB. OIL PRESS AND HIGH TEMP. SERVICED WITH 14 GAL AND RETURNED [REDACTED] WHERE 5 MORE REQUIRED. MAKING METAL/ALLOY/AT EXCESSIVE RATE. [REDACTED] ADVISES HIS OPINION AT LEAST ONE PISTON FAILING AND OIL SYSTEM CONTAMINATED. PERFORMING BORE-SCOPE EXAM HE CONSIDERS ENGINE UNSAFE FOR FLT. I AGREE. PLS ADVISE [REDACTED]

Partially Declassified by [REDACTED] on 1/26/88
 under pro 128 E.O. 12366
 by B. Rogers, National Security Council

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1120HRS Local [REDACTED] 07-14-86. 7am [REDACTED] Capt [REDACTED]

1. At this moment the mechanics are checking on: A/oil leak.
3/prop lever. [REDACTED] Boroscoping the engine for aluminum contamination of oil system.
2. I believe that prop lever and oil system can be corrected quickly, but contamination is questionable until boroscoping performed. This for NR2 Caribu. Shutt advises that with parts, NR1 Caribu operational within four days. Sorry late.

BT

Buzz note:

We just learned, there is no bore-scope at the airbase, Buzz request you send a bore-scope on C-123. *Capt will Ch 3Ar; and as per [REDACTED]*
FIN.

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1040HRS Local [REDACTED] 07-15-86.

1. Need for 2 to 55 gals. drums 120 oil non-detergent for C-7.

[REDACTED] have [REDACTED] available for us. We must purchase commercially at approx 350.00 USD each. [REDACTED] has cash to buy only one unless he uses construction money.

2. Request you send as many as possible on C-123 and he will buy one commercially.

3. Pls send more cash for rest of month expenses.

4. For your info, balance fuel acct with Air Force is 16,088.00 dollars ^{of 15k} as of today. Wags, Cooper also had 15K cash for fuel... *needed an accounting.*

FIN

(4594)

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Good Morning--FYI--

1. A/C [REDACTED] Maule-HP-821-Number 1 BOO-HP-822-Number two
BOO-HP-823-Number 1 Centruy-HP-824-Number Two Century-HP-825.

---Jim aware of tail numbers...

2. HP-824 work proceeding on schedule-Eng R/U Sunday????

3. DOO and DOM in place Sunday for R/U-A/C will depart Monday if OK..

4. HP-824 will be weighed-WT reduction still in progress-our mechanic-
no additional cost.

5. If no hitch-Mgr-Me will be in Tucson Sunday with mechanic-CP-[REDACTED]
[REDACTED] will meet us there.

6. Insurance info coming-FMI and [REDACTED]-SAT acct-need to know who
will provide funds for purchase-here or your area????

7. Registration apparently on track...US N674JK-South-HP-825. This
is just a trial exercise to determine if I am qualified to operate this
machine no comments please other than positive..

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0700HRS Local 07-15-86.

1. So. Africa [redacted] confronted with tel. bill, did not pay but sent letter to you. Claims some calls were not theirs. Our experience, tel. bills are very accurate here.

2. Our budget for July US \$19,479.00 as follows:

A/ Rent house 1 US 700.00
 B/ Rent house 2 US 500.00
 C/ Rent house 3 US 800.00
 D/ Rent house 4 partial official use -June- US 500.00
 E/ Rental 3 vehicles US 400.00 each total US 1,200.00
 F/ Gasoline, repairs for cars US 1,800.00
 G/ Warehouse salaries US 900.00
 H/ Food all houses personnel US 3,500.00
 I/ Telephone houses -average- US 1,500.00
 J/ Electric power US 150.00
 K/ Salaries drivers, maids US -9- US 1,200.00
 Sub Total US 12, 750.00
 L/ Travel expense for [redacted] US 1,000.00
 M/ Travel Expense Max to D.C. US 242.00
 N/ Airfare Max [redacted] Mia-DC US 650.00
 O/ Misc operating expenses US 1,000.00
 P/ Unexpected bill house 2 US 1,837.00
 R/ Special fund for unexpected US 2,000.00
 Grand Total US 19,470.00

At this time [redacted] has around US 500.00 left on regular month budget.

3. besides this budget we must keep in hand an emergency contingency fund of US 10,000.00 for following emergencies and will not be used unless authorized by you.

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or aircraft if several opns goes into [REDACTED]
in sickness of any of our people for hospital expense or

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lent of any of our vehicles.

emergency local purchase that might come up.

. authorized to bring in NR2 C-123.

4?

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1500 Hours July 16.

1. Tomorrow, [redacted] planned drop cancelled although A/C crew wanted to repeat it with C7 in conditions it is and at daylight.
2. For refueling stop [redacted] requests aircraft crew wear Nomex light suits, no insignias needed. Carry only side arms, no M-165. Take enough money to pay for fuel, as last time, and reimburse for 18 gallons oil purchased last Sunday.
3. Text of [redacted] message [redacted] on Plantation. Please, repeat, please, do not allow any activity on Elena. [redacted]
4. [redacted] informs me [redacted] South Africans refuse to pay telephone bill, claim is not theirs. They are sending you a letter.
5. Left [redacted] money to pay for construction and infrared lights to be purchased for ground forces in South. I paid for last Sunday refuel. Money [redacted] requesting is for near future operational expenses.

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100 hours, 24 July 1 - [REDACTED] requires from now on that all personnel from our project file a personal data form with professional qualification, duties here etc...He will personally review [REDACTED] case to authorize base ID.

2. He must be notified when individual is no longer working here and his base ID returned.

3. He must be informed on arrivals and departures of personnel.

4. He was concerned with professionalism on the pilots when he asked at SAT if C123 was tested and air worthiness of the AC certified, he was told the test flight will be performed in route [REDACTED] with plane fully loaded, [REDACTED] A/C had undergone extensive maintenance. Result it returned because of engine failure and we were told one more week to repair.

5. Max and Steve met with group down there and explained the situation, Max waiting for Cooper to get there so he can meet with [REDACTED]

6. Max says from now on he will only be liason and not problem solver.

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11/26/28

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Part 1 of 2.

FYI all personnel barred from site [redacted] with exception of 3 mechs-1 [redacted] Began Monday last.

2. Maule [redacted] route [redacted] Max, unknown, [redacted]. Max meeting someone.

3. [redacted] required all personnel to fill in a questionnaire-in Spanish - plus a photo. All have complied with requirement.

4. [redacted] declared PNG by virtue of his refusal to have photo taken. Erroneously informed that photo was for an ID. In fact for item 3 a misunderstanding. Left my location this AM.

5. All 3 Britts-I repeat all 3 are PNG period. Behaviour during early hours of the AM apparent reason. Personal effect stored house 2. Suggest you enquire dispo. Number 2 now occupied by our personnel.

6. In my judgement reason for current problem.

7. Max was rebuffed recently when in your location. Resents same.

[redacted] Create problems. Ignores needs of clients. Real or otherwise. Has been completely misinformed by someone regarding parts supply, most everything. This confirmed by Seession Friday eve day of my return..

EB

4600

126-88

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MAP OC 362

DENIED IN
TOTAL

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[REDACTED] CURRENT PLAN TO HOLD BOTH
 [REDACTED] STORY IS WE ARE
 [REDACTED] FOR ARRIVAL OF MEDICINE SHIPMENT
 [REDACTED] WE HAVE A/C SOUTH. LANGSTON
 [REDACTED] THEIR PRESENCE AT SAT BECAUSE
 [REDACTED] AND IS PREPING THE A/C
 [REDACTED] THIS SHOULD BUY US THE TIME
 [REDACTED] THE MAJOR PLAYERS BACK IN
 [REDACTED] AND FIRM UP WHAT EVER NEXT STEP
 [REDACTED] TO TAKE. RALPH WILL MAKE
 CONTACT [REDACTED] AND IS AVAILABLE TO YOU
 FOR OTHER ACTION. WHEN EVER YOU THINK
 APPROPRIATE. RALPH CAN BRIEF LANGSTON ON
 [REDACTED] STORY AND WHAT TO EXPECT NEXT. OR,
 IF YOU WANT TO WAIT I CAN DO THE
 [REDACTED] AFTER RALPH [REDACTED] TALK
 [REDACTED] RALPH GO TO MIAMI TO TALK WITH
 [REDACTED] TO SUPPORT OUR STORY. [REDACTED]
 [REDACTED] SUPPORT YOU FROM THERE. BOB BT.

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1. [REDACTED] RETURNED HERE
 2. [REDACTED] IN EXCELLENT SHAPE. 3.
 4. [REDACTED] DEPART MIAMI ON
 5. [REDACTED] A/C WAS PLACED
 6. [REDACTED] RAPHAEL HUSTENSIBLY WAITING
 7. [REDACTED] MAX WAS IN
 8. [REDACTED] WHATEVER REASON AND REQUESTED.
 9. [REDACTED] ON A/C. 6. SUNDAY AFTERNOON
 10. [REDACTED] CALLED AND INFORMED ME THAT WE
 11. [REDACTED] HAD THE BLESSING OF THE US
 12. [REDACTED] BE DOWN MONDAY TO CLOSE
 13. [REDACTED] REMAIN MIAMI. 7.
 14. [REDACTED] INFORMED [REDACTED] THE
 15. [REDACTED] FOR AN 11 AM DEP MON. 8.
 16. [REDACTED] PLUS TWO-MAX
 17. [REDACTED] CARGO MOSTLY FOR US. 9.
 18. [REDACTED] RAPHAEL ACCUSED MAX OF
 19. [REDACTED] DID NOT COME MY LOC. 10.
 20. [REDACTED] MYSELF HAD TWO MEETINGS
 21. [REDACTED] THE EVENTS. MAX ASKED FOR A
 22. [REDACTED] TO OUTLINE THE NEED FOR
 23. [REDACTED] AS A GROUP-ALL AGREED
 24. [REDACTED] THEY COULD. 11. 823 MADE

1262
 1262

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[REDACTED] [REDACTED] INSIDE AND ALONG
 [REDACTED] [REDACTED] VERY THANKFUL FOR OR
 [REDACTED] 12. WAREHOUSE IN PROCESS OF
 [REDACTED] [REDACTED] 13. RAMP AREA
 [REDACTED] [REDACTED] TODAY?? HAS A
 [REDACTED] [REDACTED] IN FRONT OF
 [REDACTED] [REDACTED] PLACED THERE BY MISTAKE.

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From Langston 1500, 6 Aug 86

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STATEMENT OF THE TOAD
 I RECEIVED A PHONE CALL FROM
 [REDACTED] WHO SAID THAT -MAX- WAS IN
 STAM AND GAVE THE ORDER TO MOVE THE
 [REDACTED]. STEVENSON HAD BEEN TOLD
 NOT TO MOVE THE A/C WITHOUT PERMISSION
 FROM THE OFFICE VIA COOP OR MYSELF
 HE TOLD MAX WE WERE WAITING FOR MEDICINE
 THAT WAS TO BE READY MON/TUES. MAX SAID
 THE A/C WAS VITAL ASAP AND THE MEDICINE
 WOULD NOT BE READY UNTIL WED AND THAT
 THE A/C HAD TO MOVE. STEVENSON THEN
 ASKED ME FOR DIRECTION. I WAS UNABLE TO
 CONTACT ANYONE FROM YOUR OFFICE AND THUS
 RELEASED THE A/C WITH THE THOUGHT THAT
 WE WOULD HOLD IT FROM OPERATING UNTIL
 ADVISED TO RELEASE IT. ALSO I HAD BEEN
 INFORMED [REDACTED] WEEK THAT THERE WAS GOING
 TO BE A [REDACTED] TELL WITH BOTH THE A/C
 [REDACTED] WEEK [REDACTED] SINCE TOAD TWO WOULD NOT
 BE AVAILABLE. I FELT ONE WAS BETTER THAN
 NONE. [REDACTED] OF OUR CONVERSATION THIS
 MORNING I THOUGHT WE BRING THE TOAD BACK
 [REDACTED] THE MEDICINE AND THEN HOLD IT

?

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THE NAME OF THE PERSON WHO IS
 FLYING WITH US NOW IS NOT HERE NOW TO
 TELL US IF [REDACTED] WAS ON BOARD OR
 NOT. HE TOLD ME AFTER THE A/C LEFT
 THAT [REDACTED] SHOWED UP AND WE HAD
 TO PREPARE A MEAL FOR HIM SINCE WE DID
 NOT KNOW HE WAS GOING AND SINCE WE
 HAD SOME PROBLEMS LAST TIME HE WAS IN
 THE AIRCRAFT WE WANTED TO DO IT AGAIN.
 LET ME KNOW IF YOU WANT A STATEMENT FROM
 THE PERSONS I T

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in Corp 7 Aug returned to base COPY

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SECRET
FYI. 1. THE FOLLOWING NUMBERS ARE THE
D.C.S. [REDACTED]

[REDACTED] TWO DROPS..2ND
DROP INBOUND-RECEIVED SPORADIC 37MM AAA
WHEN CROSSING A ROAD. 31

[REDACTED] 3. ALL DROPS HIT
DO AND RECEIPT OF CARGO CONFIRMED BY
RADIO. 4. HAVE LOCATED A POSSIBLE
FACILITY IN MCALLEN. TX FOR CARIBOU.
BOTHIN. ALA. HAYES AVIATION ONLY
SERVICED THE C123KS. NOW...ONCE AGAIN
WE HAVE BEEN DENIED ACCESS TO THE
AIRPORT-PILOTS AND MECHANICS. 6. LATE
LAST NIGHT [REDACTED] INFORMED ME THAT
[REDACTED] PUT THE AIRPORT OFF LIMITS UNTIL
FURTHER NOTICE. 7. THIS MORNING
[REDACTED] WAS ASKED TO MEET WITH [REDACTED] AND
RECEIVE SOME PAPERS AND POSSIBLY SOME
INFORMATION REGARDING THE ORDER. 8.
THIS AFTERNOON [REDACTED] AND I WILL HAVE A
SHORT MEETING WITH [REDACTED]. MAX IS
NOTICEABLY ABSENT IN PASSING ON INFO TO
ME. [REDACTED] IS NOW THE MOUTHPIECE
APPARENTLY. 9. FROM BOB..SUSPECT [REDACTED]
HAS BARRED US FROM BASE TO KEEP ASSETS
THERE. TOLD COOP TO TELL HIM HIS ONLY
INTEREST FOR NEAR FUTURE IS TO ASSURE A
STRONG CAPABILITY TO SUPPORT THE
MISSION. THIS REQUIRES US TO RETURN THE
C-119 TO P/U SOME BADLY NEEDED MEDICINE
AND IS BEING DONE AT THE DIRECTION OF
THE OWNERS AND DIRECTORS. THIS SHOULD
BE CONFIRMED BY [REDACTED] ALSO HE IS
RETURNING THE C-7 BECAUSE IN HIS
PROFESSIONAL JUDGEMENT THE A/C IS NOT
SAFE FOR CROSS BORDER WHICH IS WHAT HE
IS THERE FOR. HE WILL, IF ALLOWED TO
SPEAK, SAY THAT HE UNDERSTANDS THAT [REDACTED]
[REDACTED] HAS EXPRESSED SOME CONCERN IN THE
PAST ABOUT THE PROFESSIONALISM OF OUR
PEOPLE AND THIS ACTION SHOULD SATISFY

1545

Partially Declassified/Released on 16 Jul 1987
under provisions of E.O. 12356
by 9. Reger, National Security Council

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HIM THAT WE DO HAVE GREAT CONCERN FOR
 THE SAFETY OF OUR CREWS AND EQUIPMENT.
 MTG SHOULD TAKE PLACE IN ABOUT 2 HOURS. I
 WILL LET YOU KNOW WHAT COMES OUT. YOU
 MAY WANT TO GET [REDACTED] ON THE SAME LINE
 AS COOPER IN CASE HE SITS IN ON THE MTG.
 DICK ARVLS. APPROX. 1710Z WILL PICK
 HIM UP. WE MAY WANT A MTG AT 1900Z
 LATER. BOB ST.

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(UNCLAS)

1. [REDACTED] CALLED FROM [REDACTED]
 [REDACTED] HE REQUESTS THAT ARRANGEMENTS BE
 MADE FOR RALPH TO GET DOWN THERE TO TAKE
 CARE OF SOME ADMIN PROBLEMS. 2.
 ACCORDING TO [REDACTED] RALPH WAS SUPPOSED TO
 HAVE ARRIVED YESTERDAY, BUT WAS
 REPORTED. 3. ANY RESPONSE? BT

Will hold him here for time being

(UNCLAS)

121800Z AUG. [REDACTED] 1. THE FOLKS
 RALPH HAD DEALT WITH WHO HAVE CUSTODIAL
 RESPONSIBILITIES ARE CALLING [REDACTED] BUT
 [REDACTED] CAN'T HELP. THIS CONCERNS AN ADMIN
 ASPECT THAT WAS LEFT PENDING, WHICH
 RALPH WAS SUPPOSED TO RESOLVE THIS WEEK.
 THE FOLKS FEEL THEY'RE BEING LEFT HIGH
 AND DRY. [REDACTED] FEELS IT IS A SMALL
 MESSAGING EFFORT THAT IS REQUIRED, THAT
 ONE GUY COULD BE IN AND OUT IN THE SAME
 DAY TO ACCOMPLISH IT. 3. SEPARATE SUBJ.
 AN OUTSTANDING BILL OF LESS THAN 100
 DOLLARS IS NOW IN OFFICIAL CHANNELS AND
 NEEDS TO BE RESOLVED. BT

Montero has a "personal" problem

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From Steele, retransmitted to Earl 18 Aug 000

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(SECRET)

I AM VERY CONCERNED ABOUT THE MISSION SCHEDULED FOR TOMORROW. A DROP IN THE SOUTH AT MIDDAY INCREASES THE POSSIBILITY OF BEING SHOT DOWN BY SAM7 OR INTERCEPTED BY T33. TO MAKE THINGS WORSE I BELIEVE THIS OPERATION HAS BEEN DISCUSSED OVER THE TELEPHONE. RECOMMEND IT BE RESCHEDULED AS A NIGHT MISSION. I HAVE BEEN APPROACHED BY MEMBERS OF THE ORGANIZATION AND [REDACTED] OVER HIRING AND FIRING PRACTICES PRESENTLY ONGOING. WHILE I WILL NOT TRY TO MICROMANAGE YOUR ORGANIZATION. I WILL MAKE YOU AWARE OF THE PROBLEM. TWO HIGHLY RESPECTED MEMBERS OF THE TEAM HAVE BEEN FIRED BY COOPER RECENTLY, [REDACTED] THIS IS CAUSING PROBLEMS. [REDACTED] AND OTHER MEMBERS OF THE ORGANIZATION. RECOMMEND CONSIDERATION BE GIVEN TO RETAINING THESE TWO INDIVIDUALS. END TEXT. FRM MAC.. I TALKED TO COOPER LAST NIGHT, THE MISSION IS CXX. FOR TODAY. WE WILL LOOK AT A NIGHT MISSION AFTER I GET MORE DETAILS. [REDACTED] THROUGH RALPH, IS REQUESTING THE DROP. I WILL TALK TO RALPH AND GET INFO ON [REDACTED] POSITION AND DETAILS OF DROP. REF. PERSONNEL CONCERNS.. I HAVE DISCUSSED WITH STEELE AND WILL WORK WITH COOPER TO GET THINGS CALMED DOWN. IT MAY BE TIME TO GET COOPER UP HERE AND FILL HIM IN ON THE DETAILS OF A DRAW DOWN SO WE ARE ALL WORKING OFF THE SAME MUSIC. HE IS STILL LOOKING AT THIS AS A LONG TERM PROJECT. DISCUSS WI GOODE AND ADVISE. BOB BT. THC

4607

UNCLASSIFIED

00342

COPY UNCLASSIFIED

011400ZUNSSS FFM MAC. REF YOUR DISCUSSION WE DICK LAST NITE. IN MY TALK WITH STEELE LAST WEEK. I REQUESTED THAT HE MAKE THE SITUATION CLEAR TO US TO THE OWNERSHIP OF THE AIR ASSETS AND ASSOCIATED EQUIP. HE WAS TO INFORM HIM THAT WHILE THE ASSETS WERE MADE AVAILABLE TO THE CAUSE, THEY BELONGED TO A PANAMA BASED COMPANY AND THAT UPON COMPLETION OF THEIR SUPPORT WORK HERE THEY WERE TO BE RETURNED TO THAT COMPANY FOR FUTURE DISPOSITION. STEELE FELT THAT HE WOULD HAVE TROUBLE GETTING [REDACTED] TO ACCEPT THIS UNTIL HE COULD SEE WHAT TYPE OF SUPPORT WAS COMING IN TO REPLACE US. THIS MATCHES WHAT DICK SAID TO YOU ABOUT GETTING A FIRM PLAN FROM THE CIA AS TO THEIR PROGRAM FOR AIR SUPPORT. THIS WE MUST GET ASAP AND PASS TO STEELE TO PAVE THE WAY FOR OUR DEPARTURE. IF WE DONT GET IT, OUR WITHDRAWAL COULD BE A MESSY AFFAIR. SUGGEST YOU TALK TO STEELE AND CONFIRM THAT WE ARE GOING AFTER THE CIA PLAN AND WILL ADVISE HIM ASAP. BOB BT.

R D

466

Excluded from automatic downgrading and declassification 8 July 1987
 AUTHORITY: E.O. 12356
 BY: E. Nicks, SAC, [REDACTED] Council

UNCLASSIFIED

1772

00310

2. Cooper

UNCLASSIFIED

211000DAUG88 1. HAVE INFO THAT THERE WAS A REQUEST FOR A DROP. 10,000 LBS. REQUESTED FOR THE SOUTHERN AREA 2 DAYS AGO AND THAT REPORTEDLY OUR PEOPLE AT [REDACTED] TURNED IT DOWN. MUCH ABOUT THIS REPORT DOES NOT MAKE SENSE AND I HAVE TOLD SUPERIORS THAT I DONT BELIEVE ITS TRUE. IT IS POSSIBLE THAT [REDACTED] OR HIS EQUIVALENT HAS GOTTEN IN THE ACT IN OUR NAME. REGARDLESS. PLS GET DETAILS OF THE REQUEST AND IF IT FITS OUR RULES OF SAFETY. WE GO. PLS ADVISE. 2. REF MONEY REQUIREMENTS. RALPH IS INBOUND WITH 15K FOR YOUR ADMIN AND SUPPORT REQUIREMENTS. ADDITIONALLY STEVENSON WILL BRING 30K FOR OPERATIONAL SUPPORT. THIS IS ALL WE COULD PUT TOGETHER ON SHORT NOTICE. I WANT A COMPLETE ACCOUNTING OF WHAT THIS MONEY IS NEEDED FOR AND HOW IT IS ACTUALLY SPENT. OUR OPERATIONAL FUND NEEDS TO BE CONTROLLED VERY RPT VERY CAREFULLY AND WE ARE NOT TO SPEND 1 DOLLAR MORE THAN NECESSARY. DO WE OWE ANY MONEY TO ANY OF THE TROOPS? WE MUST TAKE CARE OF THEM FIRST. 3. HOW IS PERSONNEL SITUATION? WHAT IS YOUR SCHEDULE. THOUGHT YOU WERE COMING HERE. 4. KEEP GOOD CONTACT WITH STEELE AND BE VERY CAREFUL OF WHAT IS BEING SAID OVER PHONE AND RADIO. BIG RED IS COPYING US VERY WELL. BOB BT.

(SECRET)

:

FXL 1. REQ FOR DROP CAME THROUGH [REDACTED] C7A HAD RETURNED FROM [REDACTED] WITH 4000 LBS TO BE ADDED TO 7000 LBS FROM PREVIOUS LOAD TO BE DROPPED SOUTH. 2. WE HAVE RECEIVED SAME REQUEST THIS MORNING. 3. HAVE TENTATIVELY SET UP DEP TO ARRIVE 10 AFTER DARK-OUR ATTITUDE REMAINS THE SAME. 4. TIME OF EXERCISE-6 HOURS PLUS 5 MINUTES. 5. [REDACTED] CREW [REDACTED] PHASENFUS [REDACTED] 6. NO CONFUSION HERE ABOUT ORIGINAL REQUEST.. 7. INCENTIVE MONIES OWED TROOPS. 8. NEED TO RECRUIT ADDITIONAL PILOT STAFF. PLUS 1 LOAD MASTER FOR A TOTAL OF 4 LOADMASTERS OR PICKERS. 9.

4608

UNCLASSIFIED

00337

UNCLASSIFIED

(SECRET)

131430CAUG86 FFM MAC TO RALPH...1. PLS
PROVIDE DETAILS OF REQUESTED DROP. VERY
CONCERNED ABOUT DAYLIGHT OPS. ESPECIALLY
NOW. IF EQUIP IS REQUIRED ASAP WE WILL
SET UP A NITE MISSION. ARE TROOPS
CAPABLE OF MARKING A DROP ZONE? 2. HOW
MUCH LONGER ARE YOU NEEDED AT [REDACTED]
PLACE? IS THE MONTERO PROBLEM TAKEN
CARE OF? I NEED FOR YOU TO COME BACK TO
MIA AND DELIVER SOME MONEY TO [REDACTED]
STEELE IS TRYING TO HELP BUT WE HAVE
SOME BILLS THAT MUST BE PAID NOW. PLS
ADVISE OF SCHEDULE. BOB BT.

4609

UNCLASSIFIED

003:11

UNCLASSIFIED

(SECRET)

COORDINATES [REDACTED]
APPROACH SOUTH TO NORTH DZ BONFIRES
INVERTED L COMMUNICATIONS [REDACTED] CALL
SIGNS A/C MEDICO GROUND LARGATO DROP
TIME 2345 GMT 23 AUG. ROUTE OF FLIGHT
APPROX. 50 MILES OFF COAST TO JUST SOUTH
OF PLANTATION EAST TO SOUTH OF DZ DIRECT
TO DZ
OS

4610

UNCLASSIFIED

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From Cooper 22/1348Z

UNCLASSIFIED

(SECRET)

1. TRIP SOUTH ABORTED 30 MINUTES FROM DZ DUE SEVERE THUNDERSTORMS. 2. RELIABILITY OF OMEGA IN THAT AREA IS SUSPECT-AS IS LORAN. BOTH NAV AIDS WORK FINE OUR AREA. DETERIORATION QUITE NOTICEABLE APPROACHING [REDACTED] DZ AREA. 3. RELIABILITY OF OMEGA IN S23 OPERATING OUT OF [REDACTED] FOLLOWS SAME PATTERN WHEN NEARING DZ INSIDE NICAGUARA. 4. REGARDING YOUR QUESTION ABOUT [REDACTED] HE HAS TO DATE-BEEN QUITE ENTHUSIASTIC ABOUT OUR PARTICIPATION IN THEIR PROGRAM. HAS DONE NOTHING TO OUR KNOWLEDGE TO HINDER SAME. 5. AS ASIDE-THE SOUTH ASKED [REDACTED] FOR HELP-POSSIBLY A BREAKTHROUGH IN COOPERATION. 6. WITH REGARD TO SOUTH-BASED ON A SEEMING LACK OF REAL COORDINATION-GUIDANCE IF YOU WILL-WE WOULD FEEL BETTER IF WE SET TIME OF ARRIVAL OVER DZ-NITE OR DAY-CONSIDERATION GIVEN TO WX AND POLITICS [REDACTED] CREWS HAVE NO COMPUSSION ABOUT WORKING DAYTIME. 7. REGARDING CANCELLATION OF PREVIOUS TRIP [REDACTED] AT [REDACTED] INDICATED THAT THEY WERE INFORMED WE HAD NO CREW OR NO A/C AVAIL. OR BOTH. HE WAS SOMEWHAT DISTURBED THAT NOTHING WAS FURTHER FROM THE TRUTH. HE PASSED ON TO HIS PEOPLE THAT THEY HAD BEEN BADLY MISINFORMED. 8. NEW SUBJECT-ALL EXPENDITURES ARE ACCOUNTED FOR IN DETAIL [REDACTED] GIVES ME HIS REQUIREMENTS BY MEMO-ANY FUNDS HE RECEIVES ARE DOCUMENTED BY RECEIPTS. 9. OP. EXP.-HOUSING-22-23/MO. FUEL-LOCAL TRNG--WHEN ALLOWED--/8 TRIPS SOUTH/MO-EQUATES TO 3M/TRIP PLUS INCENTIVES-TRIPS [REDACTED] ALL A/C ARE FULL WHEN DEP. [REDACTED] A PLUS FOR US. TOTAL EXPENDITURE 40-45M/MO. 10. AS OF NOW [REDACTED] IS MY CONNECTION WITH [REDACTED] WE ARE ABLE TO COMMUNICATE OUR REQUESTS WITH NO PROBLEM-ARE SOMEWHAT CIRCUMNAVIGATING HIS IRON FIST BY EXPRESSING THE NEED FOR [REDACTED] AS THE REQUIREMENT SURFACES. IN DIRECT CONVERSATION WITH YOU-A COMPLETE RUNDOWN OF EVENTS WILL BRING YOU UP TO SPEED. AS CHAPLAIN AND SOOTHSAYER THE ATMOSPHERE HERE HAS CHANGED CONSIDERABLY WITH THE FEW CHANGES IN PERSONNEL THAT HAVE BEEN MADE. YC.....

4611

UNCLASSIFIED

00336

Aug. 22

Langston to Mac

UNCLASSIFIED

(SECRET)

:
 WE WILL GIVE [REDACTED] 20,000 TODAY.
 THE TOAD MAY BE READY ON THE 25TH BUT
 I THINK I WILL BE CLOSER TO THE 27 OR.
 WE HAVE TWO ENGINES PLUS SOME NECESSARY
 PARTS THAT WILL TOTAL OVER 20,000 LBS
 THIS REQUIRES THE L-100 SINCE THE TOAD
 WILL ONLY CARRY 8,000 ON THE TRIP DOWN.
 I WOULD SUGGEST WE SEND THE L-100 ON
 MONDAY/TUESDAY. ---NEW SUBJECT--- WOULDNT
 IT BE SMART OF THE AGENCY TO BUY THE
 ASSETS/EMPLOY SOME OF THE PEOPLE RATHER
 THAN START OVER??? IF THEY GO OUT AND
 START BUYING OTHER EQUIPMENT IT JUST
 SEEMS LIKE A WASTE OF GOOD MONEY. THATS
 A PERSONAL OBSERVATION ONLY. BT

(SECRET)

Langston to Mac
@ Bob

:
 WE HAVE ON OUR BOARD OF DIRECTORS A
 VERY EXPERIENCED INDIVIDUAL BY THE NAME
 OF HUGH GRUNDY /// HE WAS PRESIDENT OF
 AIR AMERICA FOR A FULL USEFUL LIFE

[REDACTED] BUT I HAVE
 BEEN TOLD BY HIM THAT IF I WANTED HE
 WOULD BE AVAILABLE FOR ADVICE// I WOULD
 RECOMMEND HIS WISDOM BE LISTENED TO AND
 ALSO IF I CAN BE OF ANY ASSISTANCE I
 WOULD BE AVAILABLE TO DISCUSS THE
 PROJECT/// THIS IS FROM AND OPERATORS
 VIEW NOT A POLITICAL VIEW BT

4612

UNCLASSIFIED

00339

UNCLASSIFIED

To Dutton.

(SECRET)

1. FYI. STOCKROOM-WORKSHOP FINISHED WITH LAYING OF CONCRETE SLAB. BLDG. PAID FOR-NO TITLE BUT PRESUMES [REDACTED] WILL NOT EVICT. 2. A/C PARKED ON OUR SIDE ADJACENT TO BLDG. 3. NOW ALMOST SELF SUPPORT-ONLY OCCASIONAL ASSISTANCE [REDACTED] 4. WILL TAKE PICTURES TO DOCUMENT EFFORTS OF TEAM. 5. 821-MAULE-SHOULD BE DONATED TO CHARITY-FLYABLE. 822-C7A-WITH ARRIVAL OF 825 ALL PARTS REQUIRED ARE ON BOARD. WILL TEST FLY ASAP. IF YOUR INTENTION TO FINE TUNE 822-ADKINS AVIA. MCALLEN. TX STILL COMPETITIVE-QUALITY AND PRICE. 7. [REDACTED] LAST WEEK 3 OUT OF 4 DROPS SUCCESSFUL. WX REASON FOR NO DROP. 8. [REDACTED] YOUR MAN DISCOVERED MAJOR PROBLEMS IN AVIONICS INSTALLATION BY SAT-SUB-CONTRACTOR. HAVE RESOLVED ALL-REQUIRE OMEGA CIU UNIT AND VHF TX. WILL CHECK OUT AND TEST FLY ASAP ENGINES ETC. 9. [REDACTED] FILLED YOU IN. LANGTON NOT QUALIFIED-WOULD NOT KNOW SCREWDRIIVER FROM HAMMER. DONT YOU DARE TELL HIM I SAID THAT. 10. REF. COMMENTS FROM [REDACTED] REGARDING OUR TEAM. [REDACTED] AND AN INDIVIDUAL FROM THE AGENCY-KNEW HIM IN LAOS-BOTH COMMENTED VERY FAVORABLY ON ATTITUDE AND MORE IMPORTANT ON PERFORMANCE OF TEAM. [REDACTED] ECHOED SAME. 11. WITH MAX NO LONGER IN PICTURE-I ASSUME HE IS NOT [REDACTED] BECOME A VERY ENTHUSIASTIC PARTER. 12. I PRESUME ALL GUIDANCE REGARDING RESUPPLY AND POSSIBLE PILOT TRNG FOR FDN WILL COME DIRECT FROM YOU OR IN CONCERTY WITH [REDACTED] TOUGH TO CATCH AT THE EMBASSY. 13. CONCLUSION..ALTHOUGH FEW MINOR PROBLEMS REMAIN PARTS ETC. WE HAVE BASICALLY ARRIVED AND ARE OPERATIONAL NORTH AND SOUTH. I FEEL THAT YOUR PREVIOUS SUGGESTION OF MOVING TO A MORE COOPERATIVE AND FRIENDLY LOCATION WOULD BE BENEFICIAL TO ALL. SORRY ABOUT BEING LW. THIS WAS PUT TOGETHER 2 DAYS AGO PRIOR TO SOME APPARENT CHANGES. COOP

4613

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RECEIVED
 BELLOEST AUG. 1. FELIN CLAIMS THE A/C OWNERS ARE ATTEMPTING TO CUT AND RUN. NOW THAT THEY'VE HEARD CIA ISN'T TAKING OVER THE OPERATION. HE SAYS [REDACTED] IS NOT RELEASING THE A/C BECAUSE HE CLAIMS THEY ARE CONTRA A/C. [REDACTED] WILL CLOSE DOWN [REDACTED] ETC TO CONTRA AND US ACTIONS IF THE ISSUE ISN'T RESOLVED. OTHER THREATS INCLUDE CHARGING LANDING FEES, OF 400K USD, EXPOSING THE WHOLE OPERATION, ETC. 2. REGARDING THE SPECIFIC CHARGE OF AIR PIRACY, FELIN CLAIMS THAT HE HAD CLEARED THE FLIGHT WITH SAT. THAT IT WAS AN ALREADY SCHEDULED BUT POSTPONED FLIGHT OF MEDICINES DONATED BY THE MAYOR OF MIAMI. 3. FELIN SAYS THAT BERMUDEZ HAD REQUESTED THE MAYOR OF MIAMI TO COME DOWN. 4. BOTTOM LINE IS THAT [REDACTED] WANTS THE 3 A/C TO STAY IN BUSINESS UNTIL REPLACED BY AGENCY MEANS. 5. I'LL BE SEEING OLLIE TOMORROW. PLEASE GIVE ME YOUR REACTION TO ALL THIS AND ANYTHING ELSE YOU'D LIKE ME TO PASS TO HIM. BT.

R D

4675

8 JUL 1987

INTE DIVISION: A E.O. 12356

By E. Rios, Director, Security Council

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COPY

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00252

~~Classified to [redacted] 7/29/79~~
 From Cooper 7/29/79

UNCLASSIFIED

(SECRET)

FYI. 1. THE FOLLOWING NUMBERS ARE THE
 D.O.E.

[redacted] TWO DROPS..2ND
 DROP INBOUND-RECEIVED SPORADIC 37MM AAA
 WHEN CROSSING A ROAD. 31
 JULY [redacted]. 3. ALL DROPS HIT
 DZ AND RECEIPT OF CARGO CONFIRMED BY
 RADIO. 4. HAVE LOCATED A POSSIBLE
 FACILITY IN MCALLEN, TX FOR CARIBOU.
 DOTHIN, ALA. HAYES AVIATION ONLY
 SERVICED THE C123KS. NOW...ONCE AGAIN
 WE HAVE BEEN DENIED ACCESS TO THE
 AIRPORT-PILOTS AND MECHANICS. 6. LATE
 LAST NIGHT [redacted] INFORMED ME THAT [redacted]
 [redacted] PUT THE AIRPORT OFF LIMITS UNTIL
 FURTHER NOTICE. 7. THIS MORNING
 WAS ASKED TO MEET WITH [redacted] AND
 RECEIVE SOME PAPERS AND POSSIBLY SOME
 INFORMATION REGARDING [redacted] 8.
 THIS AFTERNOON [redacted] AND I WILL HAVE A
 SHORT MEETING WITH [redacted] MAX IS
 NOTICEABLY ABSENT IN PASSING ON INFO TO
 ME. [redacted] IS NOW THE MOUTHPIECE
 APPARENTLY. 9. DISNEYLAND HAS NOTHING
 THAT ARE POPPING UP HERE.
 10. HAVE DISCOVERED A POSSIBLE SOURCE
 OF THE REASONS FOR OUR PROBLEMS.. SEEMS
 THAT [redacted] IS BAD MOUTHING ALL
 PERSONNEL CONCERNED AND MYSELF IN
 PARTICULAR. HE GENERALLY CONTRIBUTES
 NOTHING IN THE WAY OF TEAM EFFORT. IT
 IS MY INCLINATION TO TERMINATE HIM AS
 SOON AS POSSIBLE. WE HAVE ENOUGH TO DO
 IN SOLVING OUR RELATIONSHIP WITH THOSE
 IN THE IMMEDIATE AREA...

4614

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SECRET

R D 000405

081604ZJAGOS6 FRM MC ALLISTER.. HAVE JUST COMPLETED LONG DISTANCE DISCUSSION WI OWNERS AND HAVE CONVINCED THEM TO LEAVE C-123 AT YOUR LOCATION AS THERE MAY BE MORE WORK THAN EXPECTED ESPECIALLY IF WE HAVE TO FIX THE NO. 1 C-7. IT IS EVERYONES INTENT TO CONTINUE SUPPORT FOR THE EFFORT. MAX IS CENTRAL PROBLEM. HE CLAIMS A/C ARE CONTRA NOT INDEPENDENT COMPANYS. MAX CLAIMS WE ARE TRYING TO CUT AND RUN WITH CONTRA A/C. THIS IS NOT TRUE. WE ARE NOT RUNNING AND A/C TITLED TO COMPANY OWNED IN PANAMA--NOT CONTRAS. MAX IS TRYING TO BLACKMAIL US BY THREATENING THAT [REDACTED] WILL REVEAL THE OPERATION, WILL CHARGE \$80,000 DOLLARS LANDING FEES, ETC. MAX HAS BEEN AND CONTINUES TO BE BIG SECURITY THREAT. WE MUST BE VERY SMART ABOUT OUR PROCEDURES AS WE TRANSITION TO CIA SUPPORTED OPERATIONS. SURE PRESS AND OTHERS WILL BE WATCHING AND WE DONT WISH TO EXPOSE NON USG EFFORTS. I AM TOLD YOU AND AMBASSADOR WILL BE HERE. WASH D.C.. MONDAY. I WILL BE GLAD TO MEET YOU ON ARRIVAL OR AT ANY TIME AFTER FOR DISCUSSIONS. IF I CAN ASSEST WITH RESERVATIONS ETC. PLEASE ADVISE. BOB ST.

788
1712 May 72
JAGOS 1712 May 72
BY S. H. H. National Security Council

cross - Steele #24
split

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00351

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July 10

...CHANGES FROM MC ALLISTER...DISCUSSION
 WITH PLUMSTEAD INDICATES NO PROBLEM WITH
 LINE AS HE WIRED REQUIRED AMOUNT SOME
 TIME AGO. ONLY REAL PROBLEM FROM HIS
 POINT OF VIEW IS POSSIBILITY OF
 SQUATTERS. FYI..WE HAVE AGREED TO PUT
 FULL TIME MAN IN RANCH HOUSE TO INSURE
 NO SQUATTERS..WHILE WE AGREE WE THAT
 SQUATTERS COULD BE A PROBLEM WE ONLY
 CONSIDER THIS PART OF
 LARGER..REAL..PROBLEM. OUR CONCERN IS
 WHAT [REDACTED] AND AMBASSADOR ARE GOING TO DO
 RE THE PROPERTY ITSELF SINCE AFTER MUCH
 EXPENSE AND EFFORT WE NOW HAVE NO ACCESS
 AND THEY DONT SEEM TO BE ABLE TO HELP.
 SUGGEST YOU POSE QUESTION ALONG THESE
 LINES BACK TO [REDACTED] SAYING THAT WE ARE
 ALSO CONCERNED ABOUT SQUATTERS BUT MORE
 CONCERNED AS TO WHAT THEY ARE GOING TO
 DO ABOUT THE MORE IMPORTANT PROBLEM.
 MOREOVER, AMB AND [REDACTED] NEED TO THINK
 ABOUT WHAT HAPPENS AFTER CIA GOES BACK
 INTO FIELD. DO WE GIVE THE PROPERTY
 BACK OR WILL CIA WANT TO USE IT? BOB
 BT.

R D 000403

786
 12/16/82
 U.S. DEPT. OF JUSTICE, OFFICE OF THE ATTORNEY GENERAL

UNCLASSIFIED

00344

UNCLASSIFIED

~~SECRET~~

19 Jan 64

131300Z AUG. 1. CONDUCT EMERGENCY RECALL IMMEDIATELY. BRING THE MAINTENANCE AND AIRCREWS OUT OF THERE QUIETLY, BUT QUICKLY. LEAVE ALL THE EQUIPMENT, INCLUDING AIRPLANES. BRING BACK ONLY PERSONAL EQUIP. 2. DESTROY REGISTRATION PLATES ON A/C IF POSSIBLE, BUT DON'T DAMAGE THE A/C. 3. A [REDACTED] BOB, BACON, AND OLMSTEAD SHOULD GET TOGETHER. THE AIRFIELD REVERTS TO BACON'S CONTROL. 4. STEELE IS RECONSIDERING MEETING W/ YOU AND MAY CALL YOU. 5. IF HE HELPS PERHAPS THIS THING CAN BE PATCHED BACK TOGETHER FOR THE TRANSITION. BUT FOR THE MOMENT THE PEOPLE MUST BE GOTTEN OUT OF THERE. BT

R D

4671

~~SECRET~~

131345Z AUG 66 1. THERE IS MORE THAN 1 MT. DOLLARS WORTH OF EQUIPMENT, SPARES, [REDACTED] LOCATED AT [REDACTED] I PRESUME YOUR MSG RESULTS FROM TELECON WITH OLLIE. IF SO I MUST REMIND YOU THAT THESE ASSETS ARE OWNED BY UDALL RESEARCH CORP AND THERE IS NO INTENTION OF ABANDONING THEM. 2. I INSIST ON IMMEDIATE MEETING BETWEEN BOB AND STEELE OR I WILL SEEK OUT THE AMBASSADOR AND RESOLVE THE ISSUE. DICK

~~SECRET~~

19 Jan 64

1. MY READ [REDACTED] IS IT RESULTS FROM YOUR REPORT LAST NIGHT THAT [REDACTED] AND [REDACTED] HAD BEEN DIRECTED HANDS OFF BY DCI. COMBINED WITH MY REPORT THAT JIM DIDN'T WANT TO MEET WITH YOU, SUPPOSEDLY AT DIRECTION OF THE AMBASSADOR. 2. THE THREAT OF A LAW SUIT AGAINST [REDACTED] FOR AIR PIRACY HAS APPARENTLY REALLY POISONED THE ATMOSPHERE FOR US AND FOR THE AMBASSADOR ABOUT THE GOOD INTENTIONS OF THE COMPANY. BT.

1807

Excluded from automatic downgrading and declassification
 8 July 1995
 DATE 12356
 BY [REDACTED] ACTION: Security Council

UNCLASSIFIED

00315

UNCLASSIFIED

#26

101430ZAMC 0000Z FEB 77 AT AIR STATION 100
 101430Z FEB 77 TO DO WITH [REDACTED]
 TO [REDACTED] MADE TO [REDACTED] BY [REDACTED]
 GET MAY [REDACTED] THIS ENTIRE
 TIME NOW [REDACTED] ON RITICULOUS. IF WE
 SLIP OUT OF [REDACTED] THE WORD WILL RAPIDLY
 CIRCULATE AMONG MY ENEMIES WHO VIEW ME
 AS OBSTACLE TO KILLING MILLIONS FROM THE
 CONTRAS. RON MARTIN, CARL JENNINS, MAX,
 SHEEHAN AND MOST OF OTHERS WILL
 IMMEDIATELY JUMP IN AND MORE BAD PRESS
 RESULTS. UDALL AND THE OTHER COMPANIES
 ARE PERFECTLY LEGAL IN THEIR ACTIVITIES
 AND I WILL MAKE THIS A MAJOR ISSUE IF
 AMBASSADOR AND STEELE DO NOT RECTIFY
 MATTER [REDACTED]. I WILL NOT PERMIT
 MAN TO TEAR US UP. 2. THIS IS NO SMALL
 MATTER. WE MUST OPERATE AS THOUGH WE
 HAVE SOME SENSE. DICK BT.

UNCLASSIFIED

Partially Declassified/Released on 4 May 1987
 under provisions of E.O. 12356
 by B. Reger, National Security Council

00317

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RECEIVED

FYI. MEETING WITH RAPHAEL HAS DISCLOSED A MAJOR DEFICIENCY IN THE OVERALL COORDINATION OF DROPS TO THE SOUTH. 1. TRANSMISSION OF REQUIREMENTS. COORDINATES ETC. PASSES THROUGH THREE STATIONS BEFORE REACHING US. THIS HAS CAUSED US TO ASK FOR CONFIRMATION OF TIMES OVER DZ ETC. NUMBERS HAVE BEEN CHANGED IN RETRANSMISSION. THIS WAS CONFIRMED BY RAPHAEL WITH HIS COPIES OF THE DISPATCHES. 2. WE HAVE TENTATIVELY RESOLVED THE PROBLEM BY HAVING [REDACTED] PASS THE REQUIREMENT TO FDN HQS AND THEN TO US. 3. WE STRONGLY SUGGEST THAT WE HANDLE THE REQUIREMENT IN THE FOLLOWING MANNER. 4. OUR ARRIVAL OVER THE DZ-THE INITIAL DROP-SHOULD BE JUST AT DUSK-DARKNESS OCCURS ABOUT 1745-THIS ALLOWS A GOOD VISUAL SIGHTING OF DZ. IF THE DROP ZONE IS SECURE-SUBSEQUENT DROPS WOULD BE MADE SPORADICALLY WITHOUT FANFARE. I.E. NO COMMUNICATION BETWEEN A/C AND GROUND, DURING THE TIME IN THE AREA. THIS METHOD PROVED SATISFACTORY WITH THE PREVIOUS 800 DROPS. [REDACTED] INDICATES HIS PEOPLE AGREE-THROUGH RAPHAEL-PREVIOUS DROPS HAVE IN THIS MANNER RESULTED ONLY IN THE LOSS OF ONE BUNDLE. THIS RANDOM METHOD WOULD CONTINUE AS LONG AS THE DZ IS SECURE OR THEY HAVE MOVED TO ANOTHER LOCATION. 5. AFTERNOON ARRIVAL ALLOWS LOW LEVEL FLYING FOR RADAR AVOIDANCE AND ENTRY INTO DZ AREA WOULD RESULT IN MINIMUM REACTION TIME IF ANY. 6. RAPHAEL GENERALLY AGREES WITH PROCEDURE. BT. FROM MAC.. I WILL GO BACK TO COOP AND REQ. DZ COORDS. AGAIN. UNLESS I KNOW WHERE THEY ARE WORKING I CANT MAKE A VERY GOOD JUDGMENT AS TO THE PROPOSED PROCEDURE. I WILL ALSO GET [REDACTED] TO EVALUATE THIS PROPOSAL. BOB BT.

Partially Declassified/Released on 6 JUL 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

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00331

COPY

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SECRET

1
 124152Z AUG 66 RECEIVED NEW GUIDANCE
 THROUGH GOODE FROM HIS BOSS. WE ARE TO
 STAY IN FULL OPERATION SUPPORTING THE
 DROPS UNTIL 1 OCT. AT THAT TIME NSC
 SAYS THAT CIA WILL HAVE BEEN IN
 OPERATION APPROX 1 MONTH. THE CIA WILL
 GO TO [REDACTED] AND EXPLAIN
 THAT THEY, THE CIA, ARE NOW IN CONTROL
 AND THEY DONT WANT OUR ASSETS TO REMAIN
 IN THE AREA AND CONFUSE THE ISSUE. AT
 WHICH TIME WE WILL TOTALLY WITHDRAW AND
 EITHER DISPOSE OF THE ASSETS OR SEND
 THEM ELSEWHERE. THIS IS CURRENT PLAN
 ONLY TO BE CHANGED BY THE NEXT PLAN. BOB
 BT.

R D 000389

(783)
 12 May 87
 BY: [REDACTED] [REDACTED] [REDACTED]
 [REDACTED] [REDACTED] [REDACTED]

UNCLASSIFIED

00335

From Steele retransmitted 6 Dec 24/2100Z Aug 86

UNCLASSIFIED

SECRET

THIS MSG JUST IN FROM STEELE. LOOKS
 LIKE HE AND [REDACTED] WORKING WELL
 TOGETHER. NEED TO ENCOURAGE [REDACTED]
 CONTINUED INVOLVMENT. BEGIN
 TENT. DISCUSSED OPERATIONAL PROBLEMS
 WITH JOHN THIS AM. CONCUR THAT MISSION
 PLANNING IS NOT TAKING INTO ACCOUNT CREW
 INPUT. PARTICULARLY AS IT RELATES TO
 WEATHER AND TERRAIN. ALL THINGS
 CONSIDERED I AGREE THAT A DUSK DROP
 MAKES SENSE AS LONG AS WE DONT SET A
 PATTERN. ALL NIGHT DROPS WILL INVOLVE IR
 BEACON OR PARACHUTE FLARES BY GROUND
 PERSONNEL THERE IS WAY TOO MUCH USE OF
 THE RADIO. I ALSO PREFER TO HAVE CREW
 SELECT DO WHENEVER FEASIBLE AS WELL AS
 TIME AND THEN NOTIFY GROUND ELEMENTS AT
 THE LAST MOMENT OR AFTER THE FACT. THIS
 PRESUMES THAT WE KNOW THE GENERAL AREA
 THAT THE FREEDOM FIGHTERS CONTROL ON THE
 GROUND. FLYING VERY LOW AT NIGHT GIVEN
 THE TERRAIN, WEATHER AND AIRCRAFT
 LIMITATIONS APPEARS HIGH RISK. THEREFORE
 NIGHT DROPS SHOULD BE DONE AT A HIGHER
 ALTITUDE. THIS SHOULD BE NO PROBLEM WITH
 IR STROBE OR FLARES. PLAN TO INCLUDE
 THESE ITEMS IN THE NEXT DROP. JIM.

L

24/2100Z

4615

UNCLASSIFIED

00329

1st Cooper
2nd Steele

UNCLASSIFIED

(SECRET)

001700Z AUG 86 1. YOU NEED TO PASS ALL INFO FOR TASKING PROBLEMS TO STEELE. HE IS NOW THE [REDACTED] USG REPRESENTATIVE WITH INTEREST IN OUR OPERATIONS. I WANT HIM TO BE KEPT UP TO SPEED ON ALL OUR EFFORTS AND PROBLEMS. 2. I CANT MAKE ANY JUDGEMENTS AS TO YOUR PROPOSED PROCEDURES WITHOUT SOME IDEA OF WHERE YOU WILL BE WORKING. WHAT ARE THE COORDINATES? WHAT IS YOUR PROPOSED ROUTING? THERE ARE OTHER QUESTIONS I PUT IN THE PREVIOUS MSG. THAT YOU HAVE NOT ANSWERED. 3. STEELE MAY BE ABLE TO HELP WITH [REDACTED] REQUESTS AND CLARIFICATIONS OF MISSION PARAMETERS..USE HIM..HE IS A FRIEND. AWAITING YOUR ANSWERS. BOB BT. FOR STEELE FROM MC ALLISTER..COOP HAS OUTLINED SOME MISSION PROCEDURES THAT THE GUYS HAVE WORKED OUT WITH THE CUSTOMER. BASICALLY THEY ARE TO PLAN TO ARRIVE OVER THE DZ JUST AT DUSK APPROX. 1745 WHICH ALLOWS GOOD VISUAL SIGHTING OF DZ. IF DZ SECURE. SUBSEQUENT DROPS WOULD BE MADE SPORADICALLY WITHOUT COMM WITH THE GROUND. THIS HAS BEEN USED ON NORTHERN MISSIONS QUITE SUCCESSFULLY. THEY THEN PROPOSE THAT SUBSEQUENT DROPS COULD BE MADE TO THE SAME DZ AT RANDOM TIMES SINCE THE CREW WOULD BE FAMILIAR WITH THE DZ. PLS [REDACTED] GIVE ME YOUR ASSESSMENT OF THE PROPOSAL. BOB BT.

20 Jan 87

4616

UNCLASSIFIED

00300

From Cooper 22/1100Z

UNCLASSIFIED

SECRET

EYE MEETING WITH RAPHAEL HAS DISCLOSED
 A MAJOR DEFICIENCY IN THE OVERALL
 COORDINATION OF DROPS TO THE SOUTH. 1.
 TRANSMISSION OF REQUIREMENTS.
 COORDINATES ETC. PASSES THROUGH THREE
 STATIONS BEFORE REACHING US. THIS HAS
 CAUSED US TO ASK FOR CONFIRMATION OF
 TIMES OVER DZ ETC. NUMBERS HAVE BEEN
 CHANGED IN RETRANSMISSION. THIS WAS
 CONFIRMED BY RAPHAEL WITH HIS COPIES OF
 THE DISPATCHES. 2. WE HAVE TENTATIVELY
 RESOLVED THE PROBLEM BY HAVING [REDACTED] PASS
 THE REQUIREMENT TO FDN HQS AND THEN TO
 US. 3. WE STRONGLY SUGGEST THAT WE
 HANDLE THE REQUIREMENT IN THE FOLLOWING
 MANNER. 4. OUR ARRIVAL OVER THE DZ-THE
 INITIAL DROP-SHOULD BE JUST AT
 DUSK-DARKNESS OCCURS ABOUT 1745-THIS
 ALLOWS A GOOD VISUAL SIGHTING OF DZ. IF
 THE DROP ZONE IS SECURE-SUBSEQUENT DROPS
 WOULD BE MADE SPORADICALLY WITHOUT
 FANFARE. I.E. NO COMMUNICATION BETWEEN
 A/C AND GROUND. DURING THE TIME IN THE
 AREA. THIS METHOD PROVED SATISFACTORY
 WITH THE PREVIOUS BOO DROPS. [REDACTED]
 INDICATES HIS PEOPLE AGREE-THROUGH
 RAPHAEL-PREVIOUS DROPS HAVE IN THIS
 MANNER ~~WAS~~ RESULTED ONLY IN THE LOSS OF
 ONE BUNDLE. THIS RANDOM METHOD WOULD
 CONTINUE AS LONG AS THE DZ IS SECURE OR
 THEY HAVE MOVED TO ANOTHER LOCATION. 5.
 AT AFTERNOON ARRIVAL ALLOWS LOW LEVEL
 FLYING FOR RADAR AVOIDANCE AND ENTRY
 INTO DZ AREA WOULD RESULT IN MINIMUM
 REACTION TIME IF ANY. 6. RAPHAEL
 GENERALLY AGREES WITH PROCEDURE. 7. FOR
 MY INFO-WHAT PART DOES STEEL PLAY IN
 THIS SCENARIO. YC.C

26 Jan 78

4617

UNCLASSIFIED

00302

UNCLASSIFIED

CONFIDENTIAL. YOU NEED TO PASS ALL INFO
 GET TASKING PROBLEMS TO STEELE. HE IS
 NOW THE [REDACTED] REPRESENTATIVE WITH
 INTEREST IN OUR OPERATIONS. I WANT HIM
 TO BE KEPT UP TO SPEED ON ALL OUR
 EFFORTS AND PROBLEMS. 2. I CANT MAKE ANY
 JUDGEMENTS AS TO YOUR PROPOSED
 PROCEEDURES WITHOUT SOME IDEA OF WHERE
 YOU WILL BE WORKING. WHAT ARE THE
 COORDINATES? WHAT IS YOUR PROPOSED
 ROUTING? THERE ARE OTHER QUESTIONS I
 PUT IN THE PREVIOUS MSG. THAT YOU HAVE
 NOT ANSWERED. 3. STEELE MAY BE ABLE TO
 HELP WITH [REDACTED] REQUESTS AND
 CLARIFICATIONS OF MISSION
 PARAMETERS. USE HIM. HE IS A FRIEND.
 AWAITING YOUR ANSWERS. BOB BT.

781- R D 000387
 Steele #24 - exhibit
 Index 24

781

Security Information/Released on 12 May 87
 under authority of E.O. 12356
 by D. Restie National Security Council

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COPY

000383

UNCLASSIFIED

July 16

SECRET

██████████ AND ██████████ CALLED SECURE FROM
 ██████████ AND THE AMB ARE CONCERNED
 ABOUT A PROBLEM IDENTIFIED BY MR. BACON
 AT ██████████ ONE-EYED JACK HAS DISMISSED
 SEVERAL KEY EMPLOYEES. THE PROPERTY
 THERE IS NOT SECURE. SQUATTERS MAY
 OCCUPY. 2. MR. BACON HASN'T RECD
 PAYMENT IN ACCORDANCE WITH AGREEMENT
 WITH ONE-EYE AND THE CORPORATION. 3.
 THIS IS CREATING A FLAP. AND THE
 AMBASSADOR'S CREDIBILITY IS ON THE LINE.
 HAVING MADE A PERSONAL REPRESENTATION RE
 THE TRUSTWORTHINESS OF THE PEOPLE
 INVOLVED. 4. ██████████ SUGGESTS SENDING
 ONE-EYE BACK DOWN W/ FULL AUTHORIZATION
 TO RESOLVE THE PROBLEM. 5. ██████████ AND AMB
 DESIRE TO KNOW ACTIONS BEING TAKEN TO
 SOLVE THIS. BT

R D 000404

787

12 Aug 87
 100-44-2510-100
 BY C. Felt, National Security Council

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00350

3-162

See Hearing Exhibit GPS-78

Chapter 3 Feet 4-104

UNCLASSIFIED

3-164

GAVE 86 0 2333

- ☐ Call Ed Carr / Shale
and arrange for
McAllister / Butter
to visit.

- ☐ Write last 7 Days
- Carl Jenkins called
Rephal Quintero
- offered to have him
dropped from Suit if
he will talk to
elective

7 Aug 86

0130- Staff mtg

(4687)

UNCLASSIFIED

UNCLASSIFIED

AUG 86

Q 2334

☐ One Steele - KL-43
USG

☐ Note to Don Gregg

10888 - Mtg w/ Daly

- Central Public Dir

- Peter Daly Kagen

Don Walker Mike Carline

John Zurr Paul Harley

Don Liner Kojak

~~John Zurr~~ Ken Stevenson

☒ Check w/ Daly Re Fr

Tom Dawling

- James Lemay Book on

El Sal/with contracts

• Fred Lattin

• Pay for travel w/ in U.S.

by Reserve Leadership,
Cuba.

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4688

UNCLASSIFIED

7Axi

2335

1145 - Call from Currey

- Set up

- no body turned over

1230 - Call from Steel

- Situation not good

- Give some roles

- needs to have

any person on scene

who can take charge

- Don wants to see

Don

- potential

problem -- believe

it belong to

D.F.

- Steel coming alongside (145)

this 145

- Mr. Alister call

*

RUC for Steele

*

- has only last day of job.

UNCLASSIFIED

1/26/89

4689

UNCLASSIFIED

7 Aug 2336

1215 - PA 60 Fax DIA to HIR
- saw Bob/Missed Dick
8 Aug

48921

48921

UNCLASSIFIED

UNCLASSIFIED

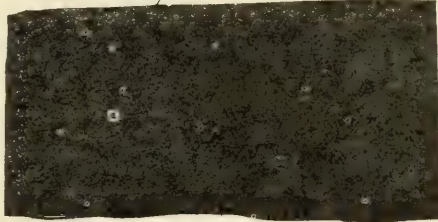
Chapter 3

Footnote 1166

N. 46663

Friday, August 5, 1966

3-166

0930 Felix = FR, DG, SWTom Clina, Secord -

- Ripping off Contreas
- Fraud, a crime to prohibit

- Lease -

46691

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3-170 >

101400Z AUG 86 FM MACL REF YOUR
DISCUSSION WE DID LAST NITE. IN MY TALK
WITH STEELE LAST WEEK. I REQUESTED THAT
HE MAKE THE SITUATION CLEAR TO [REDACTED]
AS TO THE OWNERSHIP OF THE AIR ASSETS
AND ASSOCIATED EQUIP. HE WAS TO INFORM
HIM THAT WHILE THE ASSETS WERE MADE
AVAILABLE TO THE CAUSE, THEY BELONGED TO
A PANAMA BASED COMPANY AND THAT UPON
COMPLETION OF THEIR SUPPORT WORK HERE
THEY WERE TO BE RETURNED TO THAT COMPANY
FOR FUTURE DISPOSITION. STEELE FELT
THAT HE WOULD HAVE TROUBLE GETTING
[REDACTED] TO ACCEPT THIS UNTIL HE COULD
SEE WHAT TYPE OF SUPPORT WAS COMING IN
TO REPLACE US. THIS MATCHES WHAT DICK
SAID TO YOU ABOUT GETTING A FIRM PLAN
FROM THE CIA AS TO THEIR PROGRAM FOR AIR
SUPPORT. THIS WE MUST GET ASAP AND PASS
TO STEELE TO PAVE THE WAY FOR OUR
DEPARTURE. IF WE DONT GET IT, OUR
WITHDRAWAL COULD BE A MESSY AFFAIR.
SUGGEST YOU TALK TO STEELE AND CONFIRM
THAT WE ARE GOING AFTER THE CIA PLAN AND
WILL ADVISE HIM ASAP. BOB BT.

R D 000394

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00310

789
Processed on 17 May 87
by 13 of 20 72356
U.S. State: National Security Council

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Chapter 3
Footnote 170~~SECRET~~

17 June 68 Carl

131300Z AUG. 1. CONDUCT EMERGENCY
RECALL IMMEDIATELY. BRING THE
MAINTENANCE AND AIRCREWS OUT OF THERE
QUIETLY, BUT QUICKLY. LEAVE ALL THE
EQUIPMENT, INCLUDING AIRPLANES. BRING
BACK ONLY PERSONAL EQUIP. 2. DESTROY
REGISTRATION PLATES ON A/C IF POSSIBLE,
BUT DON'T DAMAGE THE A/C. 3. AT

██████████ BOB. BACON. AND OLMSTEAD SHOULD
GET TOGETHER. THE AIRFIELD REVERTS TO
BACON'S CONTROL. 4. STEELE IS
RECONSIDERING MEETING W/ YOU AND MAY
CALL YOU. 5. IF HE HELPS PERHAPS THIS
THING CAN BE PATCHED BACK TOGETHER FOR
THE TRANSITION. BUT FOR THE MOMENT THE
PEOPLE MUST BE GOTTEN OUT OF THERE. BT

R D

00040Z

~~4444~~

(SECRET)

131345Z AUG 86 1. THERE IS MORE THAN 1
MT' DOLLARS WORTH OF EQUIPMENT, SPARES,
LOCATED AT ██████████ I PRESUME YOUR MSG
RESULTS FROM TELECON WITH OLLIE. IF SO
I MUST REMIND YOU THAT THESE ASSETS ARE
OWNED BY UGALL RESEARCH CORP AND THERE
IS NO INTENTION OF ABANDONING THEM. 2. I
INSIST ON IMMEDIATE MEETING BETWEEN BOB
AND STEELE OR I WILL SEEK OUT THE
AMBASSADOR AND RESOLVE THE ISSUE. DICK

(SECRET)

17 June 68 Carl

1. MY READING IS IT RESULTS FROM YOUR
REPORT LAST NIGHT THAT ██████████ AND ██████████ HAD
BEEN DIRECTED HANDS OFF BY DCI. COMBINED
WITH MY REPORT THAT JIM DIDN'T WANT TO
MEET WITH YOU. SUPPOSEDLY AT DIRECTION
OF THE AMBASSADOR. 2. THE THREAT OF A
LAW SUIT AGAINST ██████████ FOR AIR PIRACY
HAS APPARENTLY REALLY POISONED THE
ATMOSPHERE FOR US AND FOR THE
AMBASSADOR ABOUT THE GOOD INTENTIONS OF
THE COMPANY. BT.

1807

Partially Declassified/Released on 8 July 1987

Under Executive Order 12356

By E. Baker, Director, Security Council

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00345

3-170

See Hearing Exhibit RCD-4

3-170

See Hearing Exhibit OLN-100

3-170

See Hearing Exhibit Secord-3

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- will newspaper & picture
 - my - broken by 24 country
 4 20 25

1737 - City w/ Juep 2388

OS/2060 on SERIAL
 DENVER

□ Pass. w/ 3/20/2000 OPS

• REMOVED TO KEEP GOING

• Trying to sell 3.14 ship
 in Europe

OFFER - For 4.5M

• Customer investigation
 of using A/C

--- second

CIA OFFICER

SIA-CONTACT

□ City w/ Eglin - 16 SEP 86

□ Calling "good bye" w/ 22
 and after

BS/92/

4694

UNCLASSIFIED

UNCLASSIFIED

Q 2389

88/92/11

4095

☒

Kendall

Was in the room

Part, to Duke ✓

☐☐

Call Zulu Alice

Matter ✓ for 4092

Need 1234 work

UNCLASSIFIED

3-178

See Hearing Exhibit C/CATF 43-29

3-182

DOCUMENT UNAVAILABLE.

3-186

See Hearing Exhibits OLN-161 and JMP-60

3-194

See Hearing Exhibit GPS-78

3-194

See Hearing Exhibit OLN-203

3-195

See Hearing Exhibit OLN-204

3-196

See Hearing Exhibit C/CATF-36

MSG FROM: NSJMF --CPWA TO: NSOLM
TO: NSCLM --CPWA

See Reply to note of 09/25/86 11:23

NOTE FROM: JOHN FORTBRIGHT

Subject: Public Affairs Campaign on Central America

I agreed. Why didn't Lou Tamm know that this was coming?

(Public Affairs Campaign on Central America
MSG FROM: NSOLM --CPWA TO: NSJMP --CPWA
TO: NSJMP --CPWA

See Reply to note of 09/13/86 12:01

NOTE FROM: OLIVER NORTH

Subject: Public Affairs Campaign on Central America

Elliot Abrams has just called from New York, followed by an urgent call from [redacted] last night Costa Rican Interior Minister Garcia held a press conference in San Jose and announced that Costa Rican authorities had discovered a secret airstrip in Costa Rica that was over a mile long and which had been built and used by a Co. called Udall Services for supporting the Contras. In the press conference the minister named one of Dick's agents (Olstead) as the man who set up the field as a "training base for U.S. military advisors." Usage announcement: Udall Resources, Inc., S.A. is a proprietary of Project Democracy. It will cease to exist by soon today. There are no USC fingerprints on any of the operation and Olstead is not the name of the agent - Olstead does not exist.

We have moved all Udall resources (both) to another account in Panama, where Udall maintained an answering service and cover office. The office is now gone as are all files and paperwork. The bottomline is that [redacted]

2 Elliott has said last be and the Secretary

N 12611

09/25/86 11:23:05

4/14/87

JMP 39/148251

3-197

N 12612

35

FILE: SPP6

AO WHITE HOUSE COMMUNICATIONS AGENCY

Public Affairs Campaign on Central America
 MSG FROM: NSURP --CPUA
 TO: NSURP --CFUA
 To: NSURP --CPUA

See reply to note of 09/25/86 13:25

NOTE FROM: JOHN POINCHET
 Subject: Conventional Arms Control Options - package 90662

09/25/86 18:57:13
 48h
 4/11/87

JMP 3a 149

3-198

See Hearing Exhibit C/CATF-36

82-750 569

570-blank

CHAPTER 4. PRIVATE FUNDRAISING: THE CHANNELL-MILLER OPERATION

Chapter 4

4-4

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For
 Exemption/Release on 10/22/22
 under provisions of E.O. 13526
 of D. Reg. National Security Council

Attachment 3
 to
 Application for Recognition of Exemption - Form 1023
 of
 NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

Part III - Item 3

The specific purpose for which National Endowment for the Preservation of Liberty was formed is to educate members of the general public on American political systems and societal institutions. This purpose is to be accomplished through analyses, study and research into the historical development and evolution of American political systems and the influences such systems have had on societal institutions in the United States. In furtherance of this purpose, National Endowment for the Preservation of Liberty will collate and disseminate information on American political systems in general, and the inter-relationship between such systems and societal institutions.

Organized in the belief that a better understanding and appreciation of the interrelationship between American political systems and institutions will assist in predicting trends and developments in each of these areas, National Endowment for the Preservation of Liberty will make available understandable and informative material designed to educate citizens on the historical developments and evolution of such systems and institutions. This will be done through an interdisciplinary approach by research and study into such disciplines as history, sociology

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C-1- H 004477

A269

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[REDACTED]

and politics. National Endowment for the Preservation of Liberty will focus particular attention on the interrelationship of American political systems and societal institutions by analyzing the evolution and developments of each and the influence or effect such developments have had upon the other. It is intended that this research shall result in a better understanding and appreciation for the interrelationship between such systems and institutions and be of assistance to those who evaluate or forecast trends and developments in these areas.

In the area of obtaining information, National Endowment for the Preservation of Liberty will review and catalog speeches, books, articles, publications and other writings in the general area of American political systems and societal institutions and specific aspects within that sphere that focus on the interrelationship between the two. Additionally, National Endowment for the Preservation of Liberty will solicit opinions, information and positions from politicians, scholars, columnists, political activists and other interested persons on the evolution, development and trends within our political systems. From time to time, National Endowment for the Preservation of Liberty will assist financially in the publication of books, articles, studies and other materials by respected authors and organizations interested in political theory. National Endowment for the Preservation of Liberty will cooperate and coordinate its activities with groups having similar objectives and lend its

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resources and facilities to interested scholars, political theorists and other individuals concerned with American political systems and societal institutions.

National Endowment for the Preservation of Liberty research and interpretations will be conducted by experts in their respective fields. Coordination for various projects, including the dissemination of information, will be handled through a professional staff in the office of the Corporation. All information gathered by National Endowment for the Preservation of Liberty, such as research data, book reviews, articles, writings and publications, will be made available for public review. The Corporation will regularly mail newsletters, studies, publications, research and data to colleges, universities and other educational institutions in an effort to increase the public interest in and appreciation of American political systems and societal institutions. Ultimately, the Corporation plans to publish a series of booklets on various subjects of American history and a pamphlet on new political thought, which will be made available to the general public and contain articles and other information and materials relevant to its purposes.

The Corporation will also actively solicit invitations from experts and spokesmen to address gatherings, conventions, colleges, universities and other interested groups. The Corporation will recruit, advertise and schedule its spokesmen, thus

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-3-C H 004479

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enabling the organization to provide intelligent, articulate spokesmen to any interested group. Ultimately, National Endowment for the Preservation of Liberty plans to conduct a series of seminars discussing questions of long-term interest to Americans, seminar subjects currently under consideration by the Corporation are the political and societal institutions in the Soviet Union and the People's Republic of China in comparison to such American systems and institutions, and a seminar devoted to new political currents in America.

Whatever the contents of any publication, article or writing consists of, it is submitted that the content will be educational. An analysis of the evolution and developments of American political systems and societal institutions, can best be achieved through the written word, providing the reader with an opportunity of studying the various theories at leisure.

The materials to be published will be prepared by individuals who are experienced and knowledgeable in the particular aspect of political systems and the issues being addressed therein. As such, the information contained therein will be readable and articulate. The Corporation will assure papers, prepared by responsible educators, scholars and other interested persons will be published as submitted to National Endowment for the Preservation of Liberty and without editorial comment.

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-4-

C H 004480

The Corporation will distribute its publications free of charge to selected schools, colleges, universities and other educational institutes. The extent of such free distribution will be governed by the financial resources of the Corporation. Publications also will be made available in response to requests from individuals and others at a price calculated to reimburse the Corporation for the cost of publication. The Corporation intends to copyright its publications, but will permit reproduction without prior permission so long as proper attribution is given.

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-5- C H 004481

Chapter 4, Fc

4-5

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Internal Revenue Service
District Director

Department of the Treasury

Date DEC 12 1964

UNCLASSIFIED

Employer Identification Number

Accounting Serial Ending
JAN 1964 31Filing Date of Return
JAN 1964 31 1966Advance Ruling Period Ends
JAN 1964 31 1966Person to Contact
D. D. HARRISContact Telephone
278-3100

NATIONAL ENDOWMENT FOR THE
PUBLICATION OF LIBRARY
305 FOUNTAIN STREET, N.E. SUITE 2000
WASHINGTON, D.C. 20002

Dear Applicant:

C H 004437

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in section 509(a)(2).

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section 509(a)(1) or 509(a)(2) organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) or 509(a)(2) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) or 509(a)(2) organization.

21 Hopkins Place, Baltimore, MD 21201

12/14/64

4270
Letter 1004(10) (Rev. 10-63)

For Release/Declassified on 12/22/2001
under provisions of E.O. 12356

"CC" Rmt

J. C.
B. S.
S. S.
M. S.

UNCLASSIFIED

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1964, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2008, 2106, and 2508 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than \$20,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-B, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

C H 004439

Sincerely yours,

F. H. A. Kern
District Director

C H 004438

"CC" Butch at Arranges

J. Curtis Hines
c/o Anna Christensen
Stanton & Hines
Suite 1100
5300 Greenwood Drive
Morton, Washington

UNCLASSIFIED

UNCLASSIFIED

3.2.1.2

47-49



Comptroller General
of the United States

Washington, D.C. 20548

64911

B-229069

4-21

September 30, 1987

The Honorable Jack Brooks
Chairman, Committee on
Government Operations
House of Representatives

The Honorable Dante B. Fascell
Chairman, Committee on
Foreign Affairs
House of Representatives

Dear Mr. Chairmen:

This responds to your joint letter of March 31, 1987, requesting this Office to conduct an investigation and render a legal opinion on the legality and propriety of certain activities of the Office for Public Diplomacy for Latin America and the Caribbean (S/LPD) of the Department of State. Subsequent discussion with your staff limited the scope of the legal opinion to the issues of alleged lobbying and the development and dissemination of propaganda from 1984 to the present.

We conducted a review to develop the facts regarding the lobbying and propaganda issues, which consisted of interviews of knowledgeable individuals and a search of the S/LPD files. As a result of our review, we conclude that S/LPD's activities involving the preparation and dissemination of certain types of information violated a restriction on the use of appropriated funds for publicity or propaganda purposes not authorized by the Congress. We do not believe, however, that available evidence will support a conclusion that the applicable antilobbying statute has been violated. We are presently continuing a review of certain other S/LPD activities, and will keep you informed of our progress on a periodic basis.

THE PROPAGANDA ISSUE

According to Ambassador Otto J. Reich, who directed S/LPD from 1983 until 1986, the Office of Public Diplomacy for Latin America and the Caribbean was established within the Office of the Secretary of State in 1983 to engage in a campaign to influence the public and the Congress to support increased funding for the Administration's Central American policy. In pursuit of its public diplomacy mission, S/LPD used its own staff, and let a number of contracts with

4472

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J 11000

outside writers, for articles, editorials and op-ed pieces in support of the Administration's position. Generally, S/LPD employed direct and overt methods in using the media to favorably influence the public to support the Administration's Central American Policy. However, information developed during the course of our investigation demonstrates that, on occasion, S/LPD also arranged for the publication of articles which purportedly had been prepared by, and reflected the views of, persons not associated with the government but which, in fact, had been prepared at the request of government officials and partially or wholly paid for with government funds.

For example, S/LPD arranged for a university professor, who was also paid as a consultant to S/LPD, to write a newspaper article in support of the Administration's Central America policy without alerting readers or, apparently, the newspaper that the government was involved. S/LPD described this technique in a March 12, 1985, internal memorandum to another Department of State office. Attached to that memorandum was an op-ed article entitled "Nicaragua is Armed for Trouble," which was ostensibly written exclusively by Professor John Guilmartin of Rice University, and published in the March 11, 1985 issue of the Wall Street Journal. The memorandum states that "Professor Guilmartin, who is a consultant to our office, and the Public Diplomacy staff worked extensively on this piece." However, the published article lists the author solely as John F. Guilmartin, Jr. and describes him as follows:

"Mr. Guilmartin is adjunct professor of history at Rice University in Houston. He was formerly a lieutenant colonel in the U.S. Air Force and editor of the Air University Review."

The Guilmartin article was one of five "white propaganda" operations described in a March 13, 1985, memorandum from S/LPD to the Assistant to the President and Director of Communications. The memorandum stated the following about the article:

"Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation."

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The memorandum also described as follows the use of consultants to write op-ed pieces for Nicaraguan opposition leaders:

"Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello, Adolpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times."

A third item in the memorandum describes the use of a "cut-out" to arrange visits to various news media by a Nicaraguan opposition leader. Although the term is not defined, it appears to reflect an intention to hide the fact that the opposition leader's visits were being arranged by the government. The closing paragraph of the memorandum explains that S/LPD will not communicate its activities on a regular basis to the Director of Communications in part because "the work of our operation is ensured by our office's keeping a low profile."

The memorandum, which is enclosed with this opinion, was initially classified by the Department of State as "Confidential." Following our request, it was declassified by the Department on September 10, 1987. Three other documents similarly were declassified following our request.

The use of appropriated funds by the Department of State for certain types of publicity and propaganda is prohibited. Section 501 of the Departments of Commerce, Justice and State, the Judiciary, and Related Agencies Appropriations Act, 1985, Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1545, which provided fiscal year 1985 funding for the Department of State, reads as follows:

"Sec. 501. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress."

The legislative history of section 501 is silent as to the intended effect of the restriction. See H.R. Rep. No. 197, 99th Cong. 1st Sess. 90 (1985). This Office has had numerous occasions in the past to interpret language similar to section 501. We have held that such a provision prohibits the use of federal funds for two distinct types of publicity and propaganda activities.

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First, it prohibits "self-aggrandizement" activities on the part of a federal agency, which have been described by our Office as publicity activities of a nature tending to emphasize the importance of the agency or activity in question. 31 Comp. Gen. 311, 313 (1952), B-212069, October 6, 1983. Self-aggrandizement is not an issue in the present situation.

Second, we have construed the language of section 501 as prohibiting covert propaganda activities of an agency, which is the issue involved in the situations described above. In our decision B-223098, October 10, 1986, we held that editorials in support of a proposed reorganization of the Small Business Administration (SBA) prepared by SBA for publication as the ostensible editorial position of newspapers to which the editorials were submitted, were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term.

We conclude that the described activities are beyond the range of acceptable agency public information activities because the articles prepared in whole or part by S/LPD staff as the ostensible position of persons not associated with the government and the media visits arranged by S/LPD were misleading as to their origin and reasonably constituted "propaganda" within the common understanding of that term. Therefore, under the rationale enunciated in B-223098, supra, these activities violated the "publicity and propaganda" prohibition of section 501.

We have been unable to estimate the amount of effort and funds expended on covert propaganda operations. Materials contained in S/LPD files indicate that covert propaganda operations were conducted on several other occasions and were not separated from routine legitimate activities. In view of the difficulty in determining the exact amount expended illegally, as well as the identity of any particular voucher involved, we conclude that it would not be appropriate in these circumstances to attempt recovery of the funds improperly expended. We recommend that the Department of State take action to insure that violations of appropriations restrictions contained in section 501 do not occur in the future.

THE LOBBYING ISSUE

The S/LPD staff carried on many activities designed to influence the public and the Congress to support the Administration's Central American policy, in keeping with the purpose for which S/LPD was established. Ambassador Reich gave a briefing to the Secretary of State

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in which he explained that S/LPD's objective in attempting to influence Congress was:

"To gain sufficient bipartisan support in Congress to permit approval of increased assistance, economic and military, to Central America and to preclude crippling restrictions on actions in support of U.S. policy objectives in the region."

Sometime in 1983, S/LPD developed a close working relationship with a public interest group entitled "Citizens for America" (CFA). CFA is a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. CFA has its headquarters in Washington, D.C. and is organized into regions and local district committees throughout the country, which are staffed with volunteer workers. Volunteers receive periodic instructions from CFA's Washington headquarters, when legislative action is scheduled in the Congress, to call and write members of Congress, to write letters-to-the-editor and op-ed pieces, and call in and appear on radio talk shows in support of the Administration's policy on Central America.

On March 4, 1984, the Chairman of CFA wrote the Secretary of State informing him of the details of his grass roots lobbying effort in support of the Administration's policy. Ambassador Reich, then head of S/LPD, prepared a draft response letter to the Chairman for the Secretary to sign. In the transmittal memo, Ambassador Reich described the close working relationship between CFA and S/LPD as follows:

"Citizens for America has been carrying out a public education campaign on Central America.

"Our office has a very good working relationship with Citizens for America and has provided CFA with a great deal of information.

"A word of encouragement and appreciation from you would go a long way toward letting CFA know we recognize and value their efforts."

Again on July 3, 1984, the CFA Chairman wrote the Secretary of State making the following request:

"We hope you will be able to contribute a one-page letter to our 'action kit' voicing your support for this vital aid and your feeling that Congress must address the issue this summer.

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"This request is urgent. Your contribution will mean more op-ed pieces, letters to the editor, calls to Congressmen, and radio and television interviews -- the elements of grass-roots support so vital for effective political action.

"Thanks so much for your help. Anne Barton will be in touch with a member of your staff today to provide any details you might need."

Ambassador Reich prepared a draft response letter for the Secretary of State to sign. The draft letter was not used. Instead, the Office of the Secretary sent Ambassador Reich an extract from a statement by Secretary Shultz before the Subcommittee of Foreign Operations of the House Appropriations Committee on March 16, 1983, and instructed him to reply to the CFA Chairman. We could not locate a copy of Ambassador Reich's reply to CFA.

The annual Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act,^{1/} under which the Department of State receives its appropriations, does not contain a restriction on the use of such funds for lobbying. The only antilobbying legislation relevant to these circumstances is 18 U.S.C. § 1913, which reads in part as follows:

"No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business."

Section 1913 further provides for penalties of a fine, imprisonment, and removal from federal service.

^{1/} See, e.g., Pub. L. No. 98-411, August 30, 1984, 98 Stat. 1543.

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Because 18 U.S.C. § 1913 provides for criminal penalties, its interpretation and enforcement is the responsibility of the Department of Justice. This Office may, however, refer appropriate cases of apparent violations of 18 U.S.C. § 1913 to the Justice Department for prosecution. See, e.g., B-212235(1), November 17, 1983 (Commerce Department publication favoring revision of Export Administration Act referred to Justice). To our knowledge, there has never been a prosecution under this statute. B-217896, July 25, 1985. In addition, only a few court decisions have cited the statute and generally they have not dealt with the question of a violation, but have been concerned with peripheral issues. See, e.g., National Association for Community Development v. Hodgson, 356 F. Supp. 1399 (D.D.C. 1973); American Public Gas Association v. Federal Energy Administration, 408 F. Supp. 640 (D.D.C. 1976). See B-214455, October 24, 1984.

The Department of Justice interprets 18 U.S.C. § 1913 to apply only when funds are spent in a grass roots lobbying effort, where an attempt is made to induce members of the public to contact their representatives in Congress to persuade them to either support or oppose pending legislation. B-216239, January 22, 1985; 63 Comp. Gen. 624, 625-226 (1984).

We note that 18 U.S.C. § 1913 prohibits the use of appropriated funds for printed or written matter intended or designed to influence legislation pending before the Congress. If S/LPD expended any appropriated funds to develop the information provided to CFA, such expenditure might constitute a violation of 18 U.S.C. § 1913. On the other hand, if the information provided CFA was readily available within the Department of State, the expenditure of funds would not have been necessary, and the statute would not have been violated. See B-129874, September 11, 1978. We have not found any evidence indicating that S/LPD expended appropriated funds for such information. The only document found during our investigation that was given to CFA by S/LPD was a copy of testimony presented by the Secretary of State at a congressional hearing and was readily available. Accordingly, we found no evidence that would lead us to conclude that S/LPD violated 18 U.S.C. § 1913 in its relationship with CFA.

SUMMARY AND CONCLUSIONS

S/LPD engaged in prohibited, covert propaganda activities designed to influence the media and the public to support the Administration's Latin American policies. The use of appropriated funds for these activities constitutes a

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violation of a restriction on the State Department annual appropriations prohibiting the use of federal funds for publicity or propaganda purposes not authorized by the Congress.

S/LPD also developed a close mutually supportive relationship with CFA, a nationwide grass roots organization engaged in lobbying and fund raising activities on behalf of Nicaraguan Contra causes. S/LPD acknowledges giving CFA a great deal of information. However, we have not found any evidence that S/LPD officials violated the applicable antilobbying statute.

Unless you publicly announce its contents earlier, we plan no further distribution until 30 days from the date of this opinion. At that time, we will send copies to interested parties and make copies available to others on request.

Sincerely yours,

for *Harry R. Van Cleave*
Comptroller General
of the United States

Enclosure

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FILE**

Enclosure

United States Department of State

Washington, D.C. 20520-657

March 13, 1983

~~CONFIDENTIAL~~ EYES ONLY

TO: Mr. Pat Buchanan
Assistant to the President
Director of Communications
The White House

FROM: S/LPD - Johnathan S. Miller

SUBJECT: "White Propaganda" Operation

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY F. Smith DATE 5-10-83

RDS ☐ or RDS ☐ EXT. DATE 5-10-83
AUTH. 16 REASON(S) 16
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED/RELEASABLE ☐
RELEASE DENIED ☐
PA or FOI EXEMPTIONS

Five illustrative examples of the Reich "White Propaganda" operation:

- Attached is a copy of an op-ed piece that ran two days ago in The Wall Street Journal. Professor Guilmartin has been a consultant to our office and collaborated with our staff in the writing of this piece. It is devastating in its analysis of the Nicaraguan arms build-up. Officially, this office had no role in its preparation.
- In case you missed last night's NBC News with Tom Brokaw, you might ask WECA to call up the Fred Francis story on the "Contras." This piece was prepared by Francis after he consulted two of our contractors who recently had made a clandestine trip to the freedom fighter camp along the Nicaragua/Honduras border (the purpose of this trip was to serve as a pre-advance for many selected journalists to visit the area and get a true flavor of what the freedom fighters are doing; i.e., not baby killing). Although I wasn't wild about the tag line, it was a positive piece.
- Two op-ed pieces, one for The Washington Post and one for The New York Times, are being prepared for the signatures of opposition leaders Alphonso Rubello,

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- 2 -

Adelpho Callero and Arturo Cruz. These two op-ed pieces are being prepared by one of our consultants and will serve as a reply to the outrageous op-ed piece by Daniel Ortega in today's New York Times.

- Through a cut-out, we are having the opposition leader Alphonso Rubello visit the following news organizations while he is in Washington this week: Hearst Newspapers, Newsweek Magazine, Scripps Howard Newspapers, The Washington Post (Editorial Board), and USA Today. In addition, the CNN "Freeman Report," the "McNeil-Lehrer Report," the "Today Show" and CBS Morning News have been contacted about the availability of Mr. Rubello.
- Attached is a copy of a cable that we received today from Managua. The cable states that Congressman Lagomarsino took up Daniel Ortega's offer to visit any place in Nicaragua. You may remember that Ortega received a good deal of publicity on his "peace" proposal when he stated that he welcomed visits by Members of Congress, stating that they would be free to go anywhere they wished. As the cable notes, the Congressman's request to visit an airfield was denied. Do not be surprised if this cable somehow hits the evening news.

I will not attempt in the future to keep you posted on all activities since we have too many balls in the air at any one time and since the work of our operation is ensured by our office's keeping a low profile. I merely wanted to give you a flavor of some of the activities that hit our office on any one day and ask that, as you formulate ideas and plans of attack, you give us a heads-up since our office has been crafted to handle the concept that you have in getting the President's program for freedom fighters enacted.

Attachments:

1. Op-ed piece by Professor Guilmartin.
2. 85 Managua 1523.

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The Wall Street Journal
March 11, 1985
Editorial Section, Page 28

Nicaragua Is Armed for Trouble ^{S 11659}

By Joan P. Greenstein Jr.

Remember last year's controversy over the alleged delivery of MiG fighters to Nicaragua? Once it was established that what actually had been delivered were helicopters and not MiGs, almost no one bothered to ask what 12 fast, sophisticated, well-armed, long-range helicopter gunships could do to the armed forces of Central America or what their arrival might represent in terms of Sandinista strategy.

Scarcely before the U.S. elections, media reports surfaced of a Soviet freighter bound from the Black Sea with a cargo of large boats that, according to reconnaissance satellites, included those of a type used to ship jet fighter aircraft. Though reports were equivocal, concern mounted about the cargo and its destination. The most likely candidate was supersonic MiG-25s: High-technology warbirds built west of the U.S. news room.

As the ship cleared Nicaragua's Pacific port of Corinto (and as the U.S. sitcom insured speculation ran at fever pitch,

The bubble of fervent speculation burst with an anticlimactic "pop" when Sandinista Foreign Minister Miguel d'Escoto announced, in a statement terse or less confirmed by official U.S. spokesmen, that the crates contained not MiGs, but other arms including helicopters. The news was all the more anticlimactic because an earlier shipment of Soviet helicopters apparently had been unobserved, all but circumvented, on Nicaragua's Atlantic coast the previous week. The helicopters were Mi-24 "Hinds," the world's most heavily armed, sophisticated and fastest gunship. It is likely the second shipment of crates contained additional Hinds. The crates received scant attention, as did the possibility that the crates might also contain such L-39 jet trainers. The U.S. embassy in the Managua administration seemed as almost audible sigh of relief.

They Looked Foolish

their power and rear blades of U.S. main-
ing helicopter operations a marginal prop-
osition, particularly in summer. Forced by
limited power to fly low along valleys, heli-
copters are vulnerable to plunging fire
from the peaks and ridges above. Af-
ghanistan is not a fair test for the Hind.

But over rolling jungle terrain at low al-
titudes, the Hind is in its element. Its im-
pressive underwing ordnance (it can carry
in excess of 2,000 pounds of 57-mm rockets,
bombs and precision-guided anti-air mas-
siles) and its sophisticated turret-mounted
rotary 12.7-mm gun make it a flexible and
thoroughly capable weapons system. Its
fire-control system is both sophisticated
and reliable. Unlike Western gunships, it
can carry from six to eight troops.

Pitted against the feeble or nonexistent
unmanned aircraft defenses of the non-communist
Central American powers, the Hind repre-

*The media have fo-
cused on the icing—the
MiGs—and missed the fact
that a Soviet-style offensive
arms cake has been baked
beneath our noses.*

sents an awesome capability, with or with-
out top cover from MiGs. Flying low be-
neath the thin radar net and hugging the
terrain, it can slip into neighboring coun-
tries with impunity. It can attack patrol
and border posts with surgical precision,
going as slow as necessary to do the job.

In the dawn and dirty game of slipping
across a border, bagging a Honduras or
Salvadoran C-47, and slipping back, all un-
derneath radar coverage and hence unde-
tected, the Mi-24 would be supreme. Dis-
tances are short in Central America and

other armored vehicles spearheading an
army larger than that of any of its neigh-
bors, augmented by a sophisticated
ground-based antiaircraft system, including
SAM-8s, radar-directed 57-mm guns and
highly mobile ZSU 23-4s, the implications
of their arrival in Nicaragua are chilling.
With the delivery of high-performance
MiGs for top cover and deep interdiction
strikes, the classic Soviet-style blitzkrieg
package will be complete.

In all of this, we have assumed something
important. It is not that acceptance by the
U.S. media, if not the Reagan administra-
tion, of the delivery of jet trainers and heli-
copters to Nicaragua has established a
precedent for the subsequent delivery of
MiGs. That is valid as far as it goes. The
real point is revealed: The L-39s and Mi-
24s, particularly the latter, represent a
major threat to themselves. Second, their
arrival must be viewed as one more piece
of a greater puzzle, the formation in Cen-
tral America of a classic Soviet-style offe-
nsive combined arms team. And make no
mistake: The Soviet doctrinal model,
which the Sandinistas are clearly follow-
ing, is inherently offensive in nature.

The initial MiG statement by U.S. aides
came on Nov. 2. By Nov. 12, the Sandinista
ambassador to Spain, Orlando Castillo,
told reporters his government's position:
No, Nicaragua did not have MiGs—yet.
Yes, it had every intention of obtaining
some as soon as it could—for self-defense.
Thus the impending arrival of the last
piece of the puzzle was announced.

Effective for Offense

Now, four months later, as we wait for
the other shoe to drop, we are confronted
by the release of a report last sent by the
Council on Hemispheric Affairs asserting
that the Sandinista buildup is intended
only to counter a feared U.S. invasion
and—as essential corollary—that it is of
profoundly offensive character.

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M&F

Miner and Fraser Public Affairs, Inc.

N 6298

4-27

December 28, 1984

PERSONAL AND CONFIDENTIAL

Mr. Oliver L. North
Deputy Director
Political-Military Affairs
National Security Council
Old Executive Office Building
17th & Pennsylvania Avenue, N. W.
Room 392
Washington, D. C. 20506

Dear Ollie:

In addition to the memorandum updating you on several items regarding the Nicaraguan Refugee Fund, I felt it important to give you the background of the Sultan. Since much of the title was spelled over the phone, let me try by listing the following:

HIS MAJESTY THE SULTAN YANG DIPERTUAN NEGARA
Brunei, Darussalam Istana
Unral Iman

Sir Hassanal Bolikah Bandar Seri Begawan
His Majesty, Sir MUDA HASSANAL BOLIKAH
Mu'Izzaddin WADDAULAH
The 29th Sultan, 38 years old

Background: We checked with the First Lady's assistant, Elaine Crispin. Indeed, this SULTAN gave a half million dollars to the National Federation for Parents for the Drug Abuse Program. Apparently he gave another half million dollars to UNICEF. Naturally, it has been recommended that he might kick in a million dollars of that for the Refugees for Central America. This is important as it must be a clear opportunity for this country to endorse that initiative and thank the Sultan. It would appear to me that if the Nancy Reagan Drug accepted his generous contribution, we could, also.

Thank you very much. Sorry for all the long names. I think you understand.

Sincerely,

Edie Fraser

Edie Fraser

EF:jkb

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1090 Vermont Ave. NW Washington, DC 20005 (202) 371-1515

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BKD, FBI
12-12-86
4/5-6

Declassified & released on 11/28/87
under provisions of E.O. 12958
J. P. Rager, National Security Council

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FDN

Chapter 4

4-38

38

FUERZA DEMOCRATICA NICARAGÜENSE
 April 10, 1985

032022

C H

Mr. Carl Russell Channel
 305 Fourth Street, N.E.
 Washington, D.C. 20002

Dear Spitz,

I am writing to enlist your help in the cause of democracy and freedom for Nicaragua.

We, members of the Nicaraguan Democratic Resistance, seek freedom and human rights in Nicaragua. We fight and die each day to bring this dream to our country.

Our ranks have swelled to more than 15,000. Yet, this is just the tip of the iceberg. Thousands of Nicaraguans stand ready to aid our struggle but lack the means to do so. The resources we seek will bring thousands of people to us who have been standing idle, waiting for material support.

Please help us to achieve our dream, a free and democratic Nicaragua, not tied to a hostile Soviet threat but to a peaceful democratic American tradition.

All resources you can raise will be appreciated. We can put all of them to good purposes.

Richard Miller and Frank Gomez can keep you informed of our progress and serve as our contact point in the United States.

God speed and good wishes.

Adolfo Calero
 Adolfo Calero

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Declassified on 11/27/82
 Under provisions of E.O. 13526
 by [illegible] National Security Council

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Chapter 4, Tooth (C-41)

It's the largest best organized and most effective and it's the one that has the U.S. support for the longest period of time.

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We're helping them now to coordinate their Washington activities.

We've established an office for them. We've found people to do their congressional affairs for them on a gratis basis.

We're doing the media coordination for them and also the coordination of meetings as the circle goes out beyond just media & Congressional relations. Now into fund raising & administrative & Logistical things.

Who pays?

They do. And it's precious money to them when they're late on expenses as difficult as it may be you have to remind yourself that somebody died down there today. You can't really get mad.

Once they've left the country like that aren't they totally dependent on donations of one kind or another?

No, they really haven't left the country. the in a pocket

Which is disputed territory.

4-41

They go on missions that last 6 to 9 months.

Several of the fighters impressed upon me how much more comfortable they are in the field fighting. They said they eat better, they sleep better. Their with their people. They're being given food & intelligence and a place to sleep and so on. they actually prefer to be in the field to the camp.

Although they have to go back to the camp for orientation, for instruction for R & R.

Do these people all have radios, so they know what's going on?

A. K. ESTER

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(4273)

Declassified/Released on 10/25/95
under provisions of E.O. 12958
J. Edgar Hoover National Security Council

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Yes. They're moving also.

We figure now as many as [redacted] young men, and in some cases, older men, across the border, inside Nicaragua, waiting to come over, but there aren't weapons and boots for them.

The main thing I wanted to find out is what his needs really are, how his weapons are.

The second point is that the people in the camps are primarily there for R & R and for re-supply. the war is not a set-piece battle. It is an insurgency. And, in fact, they have about [REDACTED] insurgents whereas the Sandanistas, when they won, only had about 3,500.

So even though they're so out-gunned, in terms of technology and weaponry, in a country of 2.5 million is a hell of a big insurgency.

The [redacted] can tie up a 100,000 man army.

The Nicaraguan army is 100,000. There are nearly as many Cubans in Nicaragua as there are freedom fighters.

They need the Cubans and their tanks to keep their own people around.

If freedom is alive and well in Nicaragua, they don't need 100,000 people to try to snuff out [REDACTED] guerrillas. Originally, during the opposition to Somoya, the people did have shotguns and pistols. Because the struggle against Somoya had been going on for several years, as a matter of fact, at the time Costa Rica was a conduit for arms to the Sandanista forces and to provide the popular uprising and that is eventually what happened.

So the people are armed. In view of this, the Sandanistas have even cleared the militia, which is part of that 100,000 men under arms. And they're not fearful of providing arms to people, but they keep them under control through various surveillance techniques, such as what Cubans call Sandanista Defense Committees Block Committees.

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Anybody who even begins to look like they're getting out of line is informed upon. H 036922

And that's a tough apparatus to fight today in Nicaragua.

But, we have been in touch, because of our experience, with the entire range of the armed and the political opposition to the Contras and when Rich was talking about the [redacted] arms, he's not referring to the Mosquitas. There's 2 Mosquit groups. There's the Misura Brooklyn Rivera and Steadman Fagoth and Misurasata and then there is Misurasata, which is a combination of Sumu, Rama and [redacted] Indians which has about another [redacted] men under arms, plus the [redacted] under ARDE, the thing that grew out of it, which is the Democratic Revolutionary Alliance, which has many arms right now, about [redacted]. But I was in [redacted] in March, [redacted], and there was one guerilla leader who told me they had [redacted] ready to fight, but they needed communications, books, weapons and leadership. They're ready to fight, but they needed communications, [redacted]. We sent down a military expert to judge the viability. So that when he came back, he could be part of the Congressional debate. Because one of the disinformation pieces they used against the freedom fighters is that they're not militarily viable.

So we sent him down to look at it. He's a former Colonel in the Canadian Air Force. And he's a professor of International Relations at Boston University. He flew in Vietnam. His name is Yorkamatre. A real dynamic fellow.

But when he was down there, in fact NBC got it on film, they send an 800 man force against a 2,000 man contingent of artillery and infantry and routed them. They were getting ready to attack the camps. They took 13 casualties. 3 died. They killed 280. And routed the force entirely.

They took 180 AK47s. They took mortars, hand grenades.

See, what happens is, they get a lot of these weapons back. And they don't have ammunition for them. They get AK47s and they don't have the ammunition for them.

What they do with their young recruits is they give them an old Spanish ball rifle, the FAL, the (old) bolt action, roll o one rifle, and his job is to go out with his rifle, and after he's had his training - you know they do give them training.

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They give them formation training and they give them live ammunition training.

It's very professionally done.

And his job is to come back with his FAL and an AK47.

And they all do it.

And then they turn their FALs back in. It goes to the next recruit.

It's like the gun we made in World War II for \$2.50. It would shoot just one time. You use that to get a real gun. We dropped them by air in France.

The best I can tell, a shotgun is the best thing to use in jungle warfare.

On a very rapid fire machine gun. That's why the AK47s and the M16s are the best weapons.

The M16 fires a 22.5 caliber bullet.

I bet I could get 10,000 people to give their old shotgun to this.

Only one problem. You can't export guns for military use from the U.S.

One reason Rich and I almost feel excited about this _____, is because, on March 1, for the first time, the various opposition forces got together.

They signed a document.

They've come to the realization that the opposition to the Sandanistas now is as broad, if not broader, than that which was there for Somoya.

The Miami Herald has turned around. The Washington Post has turned around.

Frank and I set up the editorial board for Arturo Crug and Alfonso Robello and we went over and it came out about the San Jose document in the headline of the lead editorial was "A Fair Offer to the Sandanistas."

\$28 million is totally inadequate. (Alfonso Robello says) \$14 million is doubly totally inadequate. A Hind helicopter costs well over \$23 million and there's 12 of them and they're coming.

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_____ has said publically, so that the Sandanistas ^{C H} ⁴³⁶⁹²⁴

_____ secret radio communications in the field saying we have red-eyes.

Its a big lie.

They're playing a psychological war against the Sandanistas.

The more sophisticated of the shoulder-held missiles, the red-eyes.

There's 2 different kinds. One that's a little less expensive and there's one that's \$8,000. It can take it out.

And there was a scare about 3½ weeks ago. They called in the crews.

Texans are the most patriotic.

There really hasn't been a vehicle, almost before tonight, for a direct mechanism to them. Because it's been such delicate territory that nobody's really worked out the details on it.

I don't think that anybody who's sat with somebody at a table like this yet, it's going right there. It's buying these rounds. And its buying that missile. It's buying that boot.

Yes, this is the first.

They have lost a large portion, just because they've had to go through middle men.

There's nothing I hate worse than getting screwed. I'm scared to death any money I give to this thing is going to end up in somebodys pocket.

There isn't one dime that isn't going right into Adolfo Calero's hands. Not one dime.

I have known Adolfo Calero for roughly 2 years going on 3 years. He was jailed by the Sandnistas. He lead strikes against Somoya. He encouraged his own employees to go out on strike against Somoya.

Adolfo Calero was jailed by Somoya. But Adolfo Calero is a conservative.

Cruz is a social Democrat. He believes in a free economy but he believes in government support for a free economy which will never work. I used to work at AID and I've seen these kind.

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But the point is that the entire spectrum now is in opposition to the Sandanistas. The entire spectrum.

They jailed 114 Social Christians a month ago. It caused them incredible harm here in Washington.

But Adolfo Calero is a conservative. He never gave in. He never gave in to the temptation of trying to negotiate with the Sandanistas.

After the elections, after the plans for the revolution, the state of Nicaragua, till January, 1983, 2½ years after the time for revolution, he came to Washington to lobby for aid to the Sandanista government.

Since then I have seen him on countless occasions, he has been so tired from working on behalf of his men and this cause.

As long as we stay on top, as long as we stay in the offensive position, they will be on the way out.

those guys are down there. They've got 2,000 Soviets. They've got 6,000 Cubans. There's 2,000 _____.

It's not a set piece battle. The thing that has changed the equation are the Russian tanks, the Russian artillery and the Russian Hind helicopters.

How long do your boots last? Maximum 3 months. Why is that?

The humid. It's wet. And because they do a lot of walking. They're not riding in trucks. there are no trucks. They walk. And over pretty rough terrain

They have done a pretty good job of getting their wounded cared for. Because, psychologically, you've got to have that.

These are Soviet-made land mines. They have been uncovered by the guerillas, disarmed, and brought back to camp. And they're going to re-arm them and place them again against the Sandanistas.

They don't even have their own mines.

That's similar to a claymore.

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These are raw recruits. Look at the tin can this ^Cguy ~~has~~ ^{instead} ~~of~~ ⁰³⁶⁹²⁶ of a conteen.

There's a lot of heavy terrain. They do a lot of ambushing.

When I was there, I asked why there were so many men in the camp.
i want to know how many men you have her.

He said, "5,000."

I said, "How many do you have in the field?"

"Some for medical care; some for R & R; some to be re-supplied, refitted.
But most of them because we don't have even a pack for them to carry their ammunition.
They don't have boots.

What's happened is, the Sandanistas started their drive for military
conscription. And they thought they would get support.

Instead, they got insurrection. In several of the major cities. Major
insurrections. Coordinated insurrections.

And these boys came across the border. And their mothers and fathers
sent them. They said, "If you're going to fight, fight for the side that will give
you a choice. And that's why they fight.

That boy could have gone to Costa Rica. But they sent him to Honduras
to fight instead.

He could have gone to Costa Rica and just cooled out. They sent him
to Honduras to fight.

the reality is we're on the side of the angels with all this.

The miracle that I know about is that these people that we were just
talking about have the highest morale. It brings tears to your eyes to see these
people.

Having survived and even grown since last may when the aid was cut
off.

And they are having to tell people, "I'm sorry you cannot join us,
you cannot fight, because we cannot give you a weapon to fight with. We cannot give
you boots so that you can go fight.

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~~There are 12 helicopters.~~ And if there was one ready for each one of us, we're talking about \$96,000. C H 036227

Half the forces now who are in opposition to the Sandanistas would turn the other way if Americans went to fight, and we don't need Americans.

I understand there are a bunch of Americans down there.

Yes, but they're volunteer trainers. There just doing training. They're in and out.

There are no Americans.

But you don't need them.

A [redacted] man insurgency against 40,000 full time rank and file military. 60,000 are militia. So [redacted] It's the technology thats throwing the whole thing out of kilter.

It's technology of Hind helicopters, Soviet tanks and the Soviet rapid fire assault rifles that everybody on the other side has. That's what's throwing it out.

If they had enough ammunition for the AK47s and they had enough red eyes to strategically place themselves.

How can you get the ~~red eyes~~? Are they readily available?

Yeah.

They're getting arms on the international market. From everybody.

[redacted]
But by the time you go through 2 or 3 wholesalers, aren't you paying 10 times the price?

They pay very carefully. They've got pretty good credit right now with the wholesalers. But it doesn't extend far enough to get the AK47 rounds they need on the red eye missiles.

I would think they would be the first ones to start manufacturing AK47s.

No but they get them from [redacted] They can get the rifles, but they can't carry off the ammunition to supply the rifles.

And, there other suppliers.

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I'm not sure people need automatic weapons.

The insurgency has to live off the commodities available through success.

We can get you a briefing on exactly what their military needs are.

Calero wants those red eye missiles. He wants boots. He wants back packs. He wants AK47 rounds which you can get on the international market. He wants communications equipment.

But \$14 million could be spent in 2 months without batting an eye.

Reagan ought to forget the \$14 million and start asking for a whole lot more.

The \$14 million has already been appropriated by Congress. And it can be released under certain conditions stipulated by the Congress. So that's what we're stuck with.

The only reason they've succeeded so far is because of people like yourself who have provided the material support for them to keep going. And it's not just Americans.

There are [REDACTED] There are Central Americans who are backing this effort.

The [REDACTED] have been backing this. Until it began to look like the United States might not really bother at the right time when they needed them.

Vice President Bush went to Honduras 2 weeks ago on his way back from Brazil where he attended the inauguration of the new President. [REDACTED]

[REDACTED]

The [REDACTED] need the same kind of issues. They're going to go with the winner. And yet they're hearing multiple voices out of this country. Not this administration, but this country.

They're hearing the President saying that these are Freedom Fighters, that they're our brothers and so on.

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And they're hearing someone like Michael Barnes in the Congress saying, now wait. We're not out to topple governments.

It boils down to that.

The military aid, its surprising, boils down to back packs and boots. You'd think weapons would be the most important thing on the list.

If you were about to set out anywhere from 3 to 9 months walking deep into territory, jungle, roads, mountains, rain, and so on, and you knew that you were going to gone for a long time, you would want to have a good pair of shoes, wouldn't you?

Do they have much trouble with disease in that area?

They do all right.

We were going to rendezvous with some reporters who were coming to look at the bases and son.

I had to travel with Calero and a couple of the members of the directorate of the FDN plus a Mosquito fighter who had been in training there and a few others.

And we loaded up in the two vehicles.

Where were you? In Nicaragua.

Yes, in the disputed territory in Nicaragua.

And, by the way, they control an enormous amount of territory there.

They are supreme there. You drive down the road and you're out of the base camp and you've been going on the road for a half an hour and you see these guys walking along the road, and they're Contra. And you wave to them.

These guys look good.

In any case, we're going up these mountain roads and I am just about fit to be tied. Because, in a jeep, 4 wheel drive, with about 6 people, even though it's a mountain road, you feel that you ought to be able to at least go pretty well forward, right?

We were going like this.

Over the side, heavy of a load and I was on the side and I was looking

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down there and it's about 800 feet straight down.

This was about 4,000 or 5,000 feet altitude.

Jungle.

Temperature. It's warm maybe 75-80 degrees.

This is in good weather, this is dry season. But it rains a little bit and the roads are pretty bad.

In fact, some strategists think the best thing we could do for those people would be to get them a bulldozer so they could help maintain those roads.

In any case, we were going like this, and I literally six inches from going over. Six inches. Somebody was with us.

We stopped and I got out. And I looked at the tires on that jeep. It was a Toyota. And they were literally bald. Nothing there.

And that's what they're surviving with.

And I said, "why haven't you got tires?"

And they said, "Because back packs and boots are more important than tires."

We sent Nightline's crew there and they did a very positive story. We worked very hard with them to make sure we had journalists were sympathetic. And I got this call from this producer when she came back.

I said, "How was it?"

She said, "It was fine. Except the part where we were going down the hill sideways."

They were in the same jeep that he was in. They hadn't changed the tires yet because they didn't have money to change them.

There is an entire group right now of Nicaraguan exiles who've been involved in the fighting themselves. One guy who's involved is setting up the anti-Pope demonstrations where they spit on the Pope and all that stuff. And we have these guys, in Washington, and in other areas, right now, sitting on their hands. Because there hasn't been the money to pay for their airplane tickets and other things to get them out to the districts, like Jim Wright's district, and have them speak up.

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Can you imagine what the reaction would be if the people in Jim Wright's district knew what they did to the Pope down there?

How about the Baptists they hand-grenaded? We have some of those.

We have some Evangelicals who were hand-grenaded.

Let's show those on the tape.

We have been waiting for literally months. We have these people sitting, waiting, ready to go. And they could have been going earlier, but a couple people got cold feet about spending money for then to go out and do these things.

And it's a shame. Because they could have had major impact on the debate. Particularly back in the home districts of these Congressmen and Senators that we're voting for. C H J36931

The beauty this time is that we are on the side of the insurgency which is the first time, except Afghanistan, but we can't get close enough to see it.

But we are on the side of the insurgency.

And if we can continue, as we've been working so hard to do, to turn the media around, they will start to romanticise about these guys who are the Democratic guerrillas.

We going to call it the Shotgun Drive. And we're going to get Remington to put up the amo. Dupont owns Remington.

We're going to start on CBs. We're not even going to involve the electronic media until we get support or we have about 3 semis going north on Tobacco Road out of North Carolina full.

And they keep calling on another semi.

"We got an empty semi out there? Somebody got an 18-wheeler empty can come on down and help liberate Central America?"

But the organization who was in charge of putting it together utilized a Sandanista office in Managua to put together the report.

And we brought up this guy for a news conference and we had it last week and Time and Newsweek and AP and everybody reported on it. You look at Time magazine. This week's Times you'll see a little thing about a PR firm. That's us.

The point here is this U.S. Congressman stood up with people. He couldn't

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be that naive. He had to know who these people were.

He stood up with them. He had a news conference with them. And he sponsored their report. Which was clearly bought and paid for by a communist government in Managua.

Now that will scare the hell out of people.

The guy that did that Human Rights Study is a member of the National Lawyers Guild, which is a Communist front. C H 036932

It's paid for by the Soviet Union. Literally.

I don't see how anybody in this country could rationally be a Communist.

There are rational Communists.

The reality is that they profess views which are very left. Socialists. And yet they're very willing to accept a Communist government.

ron Dellums was a perfect example. He knew exactly what was going on in Grenada. It was fine with him.

The reality is you have the right to be concerned and you have the duty to be suspicious.

Because anybody you'd elect to that position and would even do it out of naivete, shouldn't be there.

They shouldn't be there.

Calero was so tired, he couldn't even keep his eyes open when we were speaking with him on some very important issues.

What I mean to imply by describing him in that way is that this man is committed. He does not have to undergo what he is undergoing now.

One, if he did not believe in it. Or two, if he were using what resources he is receiving for personal gain.

He would not suffer that much.

We're going to see to it that man doesn't have to come up here and beg anymore to be able to fight for freedom.

That's what we're going to do with you is

Where is his family? In Miami.

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They're scared in Miami, frankly.

Everytime we call there, we get a call from somebody else said "why did you call?"

It's a very difficulty mentality.

Well, Alfonse Robello, one of the 3 guys who met with Reagan, was hand grenaded in San Jose in November. He heard a crash. He was driving a little Renault. He was with his fiancé. He heard a crash. Renault. He was with his fiancé. He stopped the car. Put it in neutral. Opened the door and turned around like that and the grenade went off.

And it blew out both his eardrums and peppered him. Blow out his fiancé's back.

C H J36933

Talk about terrorism.

They have had two attempts on Alfonse Robello. Two attempts on Eden Pastore. Two attempts on Anturo Cruz. And nobody has every tried to kill Daniel Ortega.

Nobody has ever tried to kill Byardo Arsis.

If you really want to know who has a policy of systematic violence, look to the Sandanistas.

Starlite scope. You can see at nite. Good for hundreds of yards. Made in Alabama.

This is Nicaraguans for Nicaragua. We have an indigenous, tiny force that grew up on its own accord, that matured of its own accord, and is only now.

The real reason we're here is a matter of personal conviction. There is nothing in it for us personally.

We are serving the larger and more mobile cause. That is the cause of freedom and democracy. Which we see threatened by the continuation of the Sandanista regime in Nicaragua.

It would be a shame if they won by default. If they won because they were willing to put in the money that gave them the technology to succeed where

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where sheer numbers and sheer political force wouldn't. That's what's so disturbing to me about it.

What bothers me is what happens after they've won. Look at all these soldiers that have to go back to being peasant farmers.

Look at what's happened in Guatemala. Look at what happened in El Salvador.

The military held that news conference in El Salvador and they said, "We intend to back this government and the results from this election."

And that ended the argument.

C H 036934

Because heretofore they'd been the final arbitrator and here they were the preliminary arbitrator and they said, "This is fine," and that's the end of the argument.

And they put democracy on a sound footing in El Salvador.

And the same guys that are fighting now for the FDN, that's what they fought for, they're the same people who fought against Somoza! They were fighting for the same thing against Somoza that they're fighting for now. And it's democracy.

For me, the bottom line is, these are people who are willing to fight for their freedom and for democracy. So that we won't have to fight ourselves.

LULAC

People like Mario Obledo from the LULAC based in Texas, an Hispanic organization. Saw him on tv in Houston yesterday. He was going "Oh, no. we're heightening tensions and I'm afraid that our boys are going to have to go down there and fight."

Well, they damn well will fight unless we get behind the right side right now.

There are more Hispanic Medal of Honor winners than any other nationality in the United States.

They're ready to go. They're ready to fight.

AKS& sounds are a little less than \$1 a round.

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Between now and May 1, the red eye missiles could be the entire key.

Because if they succeed at this point in launching an offensive including tanks and the MI24 helicopters into that region and go for the cans...

There's 2 different kinds of red eye missiles. There's one that's very unsophisticated which is just a direct shot missile. And then there's one that's able to take on the Hind because the Hind has major decoy devices, has heavy armament and it has these flus on the back of the exhausts from the jets - the expulsion from the engine - that mask the heat.

So you have to have the \$8,000 red eye to make it work.

They have flare system on the MI24s and they drop the flares out.

For one thing, there's a trade off.

If you provide money for ammunition, the money they've set aside for ammunition can go to boots.

On the other hand, if you provide money for boots, what they've set aside for boots can go to ammunition.

Whatever you do in regard to that list (of Calero's needs), I think you can be proud of what service you provide for democracy. I think ultimately you can be proud to stand that day in Managua when there's a free country inaugurated down there.

I'd encourage you to participate now while you can still make a difference.

That'll make a lot of difference to a lot of huys down there. I'm serious about that.

We haven't heard from you yet.

Please respond to the President's request for aid to the Nicaraguan refugees.

You tax-deductible check of \$350 or more will be a miracle gift. The Nicaraguan refugees are homeless, impoverished and wounded fighters for freedom.

Once your gift arrives, your name will be immediately added to the President Honor Roll of Concerned Americans. We are presenting the Honor Roll to the President on the 15th of May.

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1 6097777777 TDMT MOORESTOWN NJ 06-06 1021A EST Footnote 53

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6097777777 TDMT MOORESTOWN NJ 9 06-06 1021A EST
PMS JOHN RAYSEY, DLR
3510 CRANBROOK
WICHITA FALLS TX 76308
THANK YOU FOR THE HELP ON SUCH SHORT NOTICE.
COL NORTH

IN THE EVENT OF ANY SERVICE INQUIRIES, PLEASE DIRECT CORRESPONDENCE TO:

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Chapter 4
Footnote 53

INTERNATIONAL BUSINESS COMMUNICATIONS R
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WASHINGTON DC 20009

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6097777777 TDYT MOORESTOWN NJ 17 06-06 1022A EST
PHS CARL RUSSELL CHANNEL, DLR
2032 BELMONT RD
APT 608
WASHINGTON DC 20009
DEAR SPITZ

THANK YOU FOR THE HELP ON SUCH SHORT NOTICE, WE ALL APPRECIATE YOUR
HEROIC EFFORTS,
COL NORTH

IN THE EVENT OF ANY SERVICE INQUIRIES, PLEASE DIRECT CORRESPONDENCE TO:

NATIONAL CONSUMER SERVICE CENTER
C/O WESTERN UNION TELEGRAPH COMPANY
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MOORESTOWN, NJ 08057

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MEMORANDUM OF ASSOCIATION

OP

I.C. INC.

REGISTERED AND FILED
S. NO. 022294 THIS SIXTH DAY
OF APRIL 1965

99212 ✓

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1. The name of the Company is "I.C. INC."
2. The Registered Office of the Company will be situate at the offices of Cayman Corporate Services Limited, Swiss Bank Building, Port Street, George Town, P.O.Box 1043, Grand Cayman, Cayman Islands, British West Indies.
3. The objects for which the Company is established are:
- (1) To acquire any shares, stocks, debentures, debenture stock, bonds, mortgages, notes, bankers' acceptances, obligations and other securities issued by any company, corporation or undertaking of whatever nature and whatsoever constituted or issued or guaranteed by any government, sovereign ruler, commissioners, trust authority or other body of whatever nature, by original subscription, syndicate participation, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.
- (11) To buy, sell and deal in all commodities and commodity futures, including silver and to buy sell and deal in bullion and specie, to receive money and valuables for safe custody or otherwise other than on deposit repayable by cheque or order, to collect and transmit money and securities, to grant and issue letters of credit, circular notes and to manage and advise on the management of securities and investments.
- (111) To carry on business as capitalists, financiers, occasionalaires, brokers and merchants and to undertake and carry on and execute all kinds of financial, commercial and trading operations, except banking and trust operations and to carry on any other business which may seem to be desirable

Under provisions of F. L. 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593,

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- 2 -

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being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of, facilitate the realisation of, or render profitable any of the Company's property or rights.

- (iv) To provide or procure management, including the management of investments and other property, administrative, sales and technical assistance, service and advice on a contract, loan, secondment, employment or other basis and to provide consultants staff and employees who will give management, administrative, sales, marketing and technical assistance, service and advice to any person or company anywhere in the world on any matter or any type of business whatsoever and to act as managers, registrars, administrators, secretaries, auditors, accountants of bodies corporate or unincorporate in any part of the world, for the Company's account or for third parties.
- (v) To buy, sell, deal in, trade, transact, lease, hold, improve, sub-divide, or develop real estate, and the fixtures and personal property incidental thereto or connected therewith and to acquire by purchase, lease, hire or otherwise, lands and all forms of buildings or constructions or any interest therein and to improve the same generally to hold, manage, deal with and improve the property of the Company, and to sell, lease, mortgage, pledge or otherwise dispose of the lands, buildings and constructions or other property of the Company.
- (vi) To carry on the business of farming in all its branches, including without prejudice to the foregoing generality arable and fruit farmers, dairy and poultry farmers, live stock breeders of every variety of animal whether bred of pedigree stock or otherwise, and also fishermen.
- (vii) To contract for public or private loans and to negotiate, underwrite and issue the same; without prejudice to the foregoing generality with reference to commodity, commodity futures, or foreign exchange contracts to enter into conditional or forward contracts for the acquisition or disposal of any such assets.

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M 01138

- 3 -

- (viii) To carry on business as general agents, factors, importers, processors, canners, packagers, bottlers, manufacturers, retailers, distributors, and wholesalers of goods and merchandise, manufactured articles and parts thereof and raw materials and generally to carry on the business of importers and exporters and as wholesale and retail merchants and dealers in goods and products of all kinds.
- (ix) To undertake and carry on all or any of the business or businesses of freight contractors, carriers by land, water and air of cargo, goods and passengers, transport and haulage, general contractors, barge owners and operators, engineers, refrigerator store keepers, stevedores, warehouse owners, and warehousemen, salvage operators and agents, ship builders, ship repairers, drydock builders, and operators, superintendents, inspectors, storekeepers, mechanical and civil engineers, planners, architects, designers, general and sub-contractors, customs, tourist and travel agents, and offices, and generally to carry on the said business or businesses in all their branches, and to carry on the said businesses either as principals, agents or otherwise and to undertake and execute agencies and commissions of all kinds, either for the company's account or for third parties.
- (x) To purchase, sell, exchange, charter, hire, build, construct, or otherwise acquire and to own, work, manage and to deal in and trade with steam, diesel, turbine, motor, sailing and other ships, tankers, trawlers, drifters, tugs, lighters, barges, vessels and motor or other vehicles and other means of conveyance with all necessary and convenient equipment, engines, tackle, gear, furniture, stores, spares, or any interest in ships, vessels, motor and other means of conveyance, and to maintain, repair, fit out, improve, insure, alter and remodel, sell, exchange, or let out on hire, charter, lease, lease/purchase, or otherwise deal with and dispose of any of the ships, tankers, vessels and vehicles, or any of the engines, tackle, gear, furniture, equipment and stores of the company, for the Company's account or for third parties.

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- (xi) To carry on the business of owners of, buyers and sellers of, manufacturers of, dealers in, hirers, repairers, cleaners, storers, and warehousemen of aeroplanes and hovercraft and machines of all kinds capable of being flown in the air and used on land or sea and whether such machines are adapted for the carriage of goods or passengers or both, and whatever power such machines are moved by or of machines not moved by mechanical or other similar power and to own, buy, sell, manufacture, deal in, hire, store and warehouse, all engines, machinery, implements utensils, appliances, apparatus, lubricants, cements, solutions, enamels, paints and all things capable of being used in connection with the foregoing machines whether in connection with the manufacture, repair, maintenance or working thereof.
- (xii) To carry on business as manufacturers, assemblers, factory and plant operators, and to manufacture, in whole or in part, modify assemble or any combination thereof raw materials wholly or partly manufactured items, materials, goods, merchandise, machinery and equipment of all kinds.
- (xiii) To purchase, acquire, rent, build, construct, equip, execute, carry out, improve, work, develop, administer, maintain, manage or control works and conveniences of all kinds, whether for the purposes of the Company or for sale or hire to or in return for any consideration from any other Company or persons, and to contribute to or assist in the carrying out of establishment, construction, maintenance, improvement, management, working, control, or superintendence thereof respectively.
- (xiv) To acquire, own, lease, rent, prospect for, open, explore, survey, develop, work, improve, maintain, and manage, either for the Company's own account or for third parties, mines, oil and natural gas wells, permits, concessions, reservations, lands and properties, territorial rights whether on land or at sea believed to contain or to be capable of containing and producing minerals, oil, natural gas, coal or other hydrocarbons, either for the Company's own account or for third parties; and to drill for, search for, win, get, pump, assay, refine, distill, analyse, manufacture, blend, mix, treat and prepare for market,

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M 01140

- 5 -

UNCLASSIFIED

alter in any form or fashion, store, transport, pipe, or otherwise convey or transmit, buy, sell, trade, exchange and otherwise deal and participate in minerals, crude oil, petroleum, or petrochemical products and natural gas and the components, derivatives and by-products thereof, either for the Company's account or for third parties.

- (xv) To purchase, acquire, build, construct, equip, execute, carry out, improve, develop, administer, maintain, manage, or control refineries, pipelines, tank storage facilities, marine jetties, and terminals, off-shore drilling rigs, and platforms, warehouses buildings and all ancillary works, equipment, furnishings and conveniences thereto, whether for the purposes of the Company or for sale or hire to or in return for any consideration from any other company or persons, and to contribute to or assist in the carrying out or establishment, construction, maintenance, improvement, management, working, control or superintendence, thereof respectively.
- (xvi) To apply for, purchase, or otherwise acquire and protect, and renew in any part of the world, patents, patent rights, brevet d'invention, trademarks, copyrights, designs, licences, grants, concessions and the like, conferring any exclusive or non-exclusive or limited right to their use of any secret or other information as to any patent, design, concession or licence or invention, which seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account the property rights or information so acquired and to expend money in experimenting or exploring upon, testing or improving any such patents, designs, concessions, licences, or rights.
- (xvii) To receive money on loan and borrow or raise money in such manner as the Company shall think fit and in particular by the issue of bonds, debentures, debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of

UNCLASSIFIED

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M 01141

- 6 -

the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

- (xviii) To draw, make, accept, endorse, discount, negotiate, issue and execute and to buy, sell and deal with bills of exchange, promissory notes or other negotiable or transferable instruments.
- (xix) To amalgamate or enter into partnership, joint venture or any joint purse or profit-sharing arrangement with and to co-operate in any way with or assist or subsidise any company, firm or person, and to purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any person, body or company carrying on any business which this Company is authorised to carry on or possessed of any property suitable for the purposes of the Company.
- (xx) To promote or concur in the promotion of any company, the promotion of which shall be considered desirable.
- (xxi) To lend money to and guarantee the performance of the contracts or obligations of any company, firm or person, and the payment and repayment of the capital and principal of, and dividends, interest or premium payable on any stock, shares and securities of any company whether having objects similar to those of this Company or not, and to give all kinds of indemnities.
- (xxii) To procure the registration or incorporation of the Company in or under the Laws of any place outside the Cayman Islands.
- (xxiii) To sell, lease, mortgage, grant licences, easements and other rights over and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit, and without limiting the generality of the foregoing for stocks, shares, or securities of any other company, whether fully or partly paid up.

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M 01142

- 7 -

(xxiv) To subscribe or guarantee money for any national, international, charitable, benevolent, public, desirable, general or useful objects or for any exhibition for any purpose which may be considered likely directly or indirectly to further the objects of the Company or the interests of its members.

(xxv) To grant pensions or gratuities to any employees or ex-employees and to officers or ex-officers (including Directors and ex-Directors) of the Company or its predecessors in business, or the relations, connections, or dependents of any such persons and to establish or support associations, institutions, clubs and funds and trusts, which may be considered calculated to benefit any such persons or otherwise advance the interests of the Company or of its members, and to establish and contribute to any scheme for the purchase of shares in the Company on behalf of or for the Company's employees, and to lend money to the Company's employees to enable them to purchase shares of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company, with its employees or any of them.

(xxvi) To create, establish, build up and maintain a marketing, selling and distributing organisation for the promotion, sale, advertisement, distribution or introduction of all types of goods, merchandise, machinery, manufactured articles and equipment and all material parts and ancillary equipment relating thereto and to handle on commission or otherwise deal in, contract for or otherwise acquire, advertise, promote, introduce, distribute, buy, sell or otherwise dispose of for itself or for any other or others any of the aforesaid.

(xxvii) To distribute among the members in specie any property of the Company, or any proceeds of sale, or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.

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(xviii) To do all or any of the things and matters aforesaid in any part of the world, and either as principals, agents, contractors, or otherwise, and by or through agents, or otherwise and either alone or in conjunction with others.

(xix) To do all such things as may be considered to be incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only in so far as otherwise expressed in any such paragraph) shall be separate, distinct and independent objects of the Company and shall not be in anywise limited by reference to or inference from any other paragraph or the order in which the same shall occur or the name of the Company.

AND IT IS FURTHER HEREBY DECLARED that the Company will not trade in the Cayman Islands with any person, firm, or corporation except in furtherance of the business of the Company carried on outside the Islands; Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

4. The liability of the members is limited.
5. The capital of the Company is US\$900,000.00 divided into 900,000 shares of a nominal or par value of US\$1.00 each provided always that subject to the provisions of the Companies Law, Cap. 22, as amended and its Articles of Association, the Company shall have power to redeem any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

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- 9 -

M 01144

We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

UNCLASSIFIED

NAMES, ADDRESSES AND DESCRIPTIONS
OF SUBSCRIBERS

NUMBER OF SHARES
TAKEN BY EACH
SUBSCRIBER

CAYHAVEN CORPORATE SERVICES LIMITED
P.O.Box 1043,
George Town,
Grand Cayman

One Share

Per: (Sgd.) David G. Bird

David G. Bird - Director

DAVID G. BIRD
P.O.Box 265,
George Town,
Grand Cayman

One Share

(Sgd.) David G. Bird

Attorney-at-Law.

ALASTAIR J.M. LOUDON
P.O.Box 265,
George Town,
Grand Cayman

One Share

(Sgd.) Alastair J.M. Loudon

Attorney-at-Law

Dated April 25, 1985

(Sgd.) C. KIPLING

Witness to the above signatures: Christiane Kipling

Address: P.O.Box 265, Grand Cayman

Occupation: Secretary

I, DEL

Registrar of Companies in and for the Cayman Islands DO HEREBY CERTIFY
that this is a true copy of the Memorandum of Association of "I.C. INC."

Dated this 30th day of APRIL 1985

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04548

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EMPIRE BUILDING
SUITE 504
2033 M STREET N.W.
WASHINGTON, D.C. 20036

Chapter 4 Testimony 67
R M 01514,
TAPIA & BUFFINGTON ~~C H 005217~~

ATTORNEYS AT LAW

TELEPHONE
(202) 388-8114

February 10, 1984

4-67

Mr. Frank D. Gomez
Senior Associate
International Business Communications
1607 New Hampshire Avenue, N.W.
Suite 300
Washington, D.C. 20009

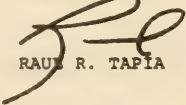
Dear Frank:

Enclosed is a copy of the Certificate of Incorporation of the
Institute On North-South Issues, Inc. issued by the District of
Columbia.

Also enclosed is my statement for services rendered with
regard to the incorporation.

Of course, if you have questions, please call me.

Sincerely,


RAUL R. TAPIA

Enclosures

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52825

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EMPIRE BUILDING
SUITE 504
2033 M STREET N.W.
WASHINGTON, D.C. 20036

TAPIA & BUFFINGTON
ATTORNEYS AT LAW

R M 015142

~~C H 385218~~ TELEPHONE
(202) 298-9114

February 10, 1984

STATEMENT

Mr. Frank D. Gomez
Senior Associate
International Business Communications
1607 New Hampshire Avenue, N.W.
Suite 300
Washington, D.C. 20009

Legal services provided for incorporation of
Institute On North-South Issues, Inc..... \$ 600.00

Disbursements:

Filing fee, District of Columbia..... 12.00
\$ 612.00
=====

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52826

Chapter 1

4-73

73

UNCLASSIFIED

October 3, 1985 C H 035141

PRIVACY



Dear

Thank you very much for your interest in and support of democracy in Nicaragua through your participation in the "Friends of Freedom" project sponsored by the NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

I appreciated very much your time by phone late yesterday afternoon. You are one of a small group of dedicated Americans who has stood by President Reagan time and time again in support of his agenda. As you well know, this issue of the survival of freedom in our hemisphere is one of if not the closest to his heart.

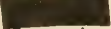
It will be a pleasure to meet you in Washington on October 17 when you attend our special security briefing followed by a working dinner. It promises to be quite an exciting as well as educational evening.

Please be reminded that your accommodations at the Hay-Adams Hotel are taken care of and there is no expense to you. You will need to settled in your room no later than 5:30 p.m. that day.

I will be in touch within several days to secure additional information needed for your security clearance. Should you wish to contact me my number is: (202) 543-6137.

Also, it is my suggestion that you review the enclosed documents before attending the meeting. These documents will serve as briefing materials. Please be familiar with them.

PRIVACY

Thank you again.  I will be more than happy to pick you up at the airport should you need me to do so.

Sincerely,

UNCLASSIFIED

CLIFF SMITH

FCS/ajd

82-750 622

1/18/85

A 0031428

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NATIONAL ENDOWMENT
FOR THE
PRESERVATION OF LIBERTY

305 FOURTH ST. N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 7, 1986

C H 035-17

PRIVACY
11/12

Dear [REDACTED]

It was a great pleasure to speak with you again yesterday. We are all very excited about your unique effort to ensure victory for George Bush by hosting the first Future of Freedom Forum.

I look forward to meeting with you Thursday, February 13 at 10:00 a.m. at your home. We have much to discuss to kick off this effort for George.

With continued best wishes,

Cliff
Cliff Smith
Project Director
National Endowment for the
Preservation of Liberty

See you Thursday.

1/13/86

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A 0033429

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Chapter 4, Footnotes 83, 99.

M 000971

1. Oct 1st Budget - 80,000 in Oct
 2. Green is to call Bunker -
 3. Bunker w/ R.R. call on, that
 4. Reason thank you
 5. Mr. H.R. v BRIGHT 8/14/52G-1195
 6. Doug Hoffmeister - Clinic
 7. \$415,000.00 - Weapons C4, M79
 8. \$520,000.00 MAIL
 9. M, W, F, Tuesday or Thursday preferred

4-83

9/20/85

1. Craig Fuller - Show Voting
 2. P.R. - Report in Nat Assembly - get Thompson
 - Reg - went to P.R. - Bic - some machine for the referendum
 money for 500 - water money for 1,000
 ★ 3. V.P. speech - show case on Democracy - N/B.
 ★ 936 should stay - N/B.
 4. Richard Coyle
 Remonatic - Indonesia
 1. Oct 10 - Philadelphia, Secretary arriving Philly Sept 29th
 2. Martin, Brother, wife + wife

1/18/88

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Chapter 4. Footnote: 85

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R M 000859

- 2/5/86 Green
1. Cities new purchase list
 2. Andy Messing
 3. Western Exports - Los Angeles
 - Tommy MacDonald (Bugs)
 - \$40 million
 - 9 people
 4. Dinner for newington
 5. Alice at the Newington RR meeting
 6. Cruz - Homerizing Orquello
 7. Bosco - Walte
 8. AAA in 10th

4-85

UNCLASSIFIED

(4280)

84263

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Chapter 4, Footnotes 83, 99.

M 000971

1. Get 1st Budget - 80,000 in Oct
 2. Green is to call Barker -
 3. Barker w/ R.R. call me, that
 4. Reason thank you
 5. Mr. H.R. BRIGHT 2/14/52G-1195
 6. Doug Hoffmeister - Clinic
 7. \$415,000.00 - Weapons C4, M79
 8. \$520,000.00 MAIL
 9. M, W, F, Tuesday or Thursday preferred

4-99

9/20/88

1. Craig Folmer - Group Voting
 2. P.R. - Report in Nat Assembly - get Shaptraine
 - Rep - went to P.R. - Bie - some machine for the Refractorium
 money for 500 - want money for 1,000
 * 3. V.P. speech - Show case on Democracy - N/B.
 * 936 should stay - N/B
 4. Richard Coybia

Removals - Indesign

1. Oct 10 - Philadelphia, Secretary arriving Philly Sept 29-30
 2. Martin, Brother, wife + Wife

1/18/88

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84375

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Chapter 4, Footnote 15

R M 001042

11/7
 \$1,200,000 - Commitment - 3 PAYMENTS
 Nov 21st - Dec 5nd

4-102

1 now \$400,000
 1 Jan \$400,000
 1 Feb \$400,000

- Green - Now working a run on this program
- Most secure person we know in the U.S.
 - we are asking you to take on a project that requires your kind of person

1/18/81

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4281

34446

4-125

... reply to note of 05/16/86 16:19

NOTE FROM: OLIVER NORTH

Subject: IMAP AND TERRORISM

I passed the info, w/o mentioning it to both Claridge and Casey. Claridge believes that there may indeed be something to the offer to

Will work w/ Casey on a meeting plan which we may wish to carry out after we complete the hostage arrangements.

N 12528

You should be aware that the resistance support organization may have more than \$6M available for immediate disbursement. This reduces the need to go to third countries for help. It does not, however, reduce the urgent need to get CIA back into the management of this program. We can only do this by going forward with the congressional proposal and getting the requisite authorities for CIA involvement. Unless we do this, we will see increasing claims of trying

to manage this program from here with the attendant physical and political liabilities. I do not complain, and you know that I love the work, but we have to lift some of this onto the CIA so that I can get more than 2-3 hrs of sleep at night. The more money there is and we will have a considerable amount in a few more days, the more visible the program becomes (airplanes, pilots, weapons, deliveries, etc.) and the more legislators will become people like Perry, Barrow, Nichols, et al. While I care not a whit that they say about us, it could well become a political embarrassment for the President and you. Much of this risk can be avoided simply by covering it with an authorized CIA program undertaken with the NSM. This is what I was about to say in the meeting today and a point that I believe Smith does not understand in his advocacy of third country solicitation. I have no idea what you mean does or does not know re of private U.S. operation but the President obviously

5/6/87

JMP 9/6/9 (17)

(452)

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Chapter 4
Footnote 25

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10 WHITE HOUSE COMMUNICATIONS AGENCY

N 12529

known why he has been meeting with several select people to thank them for their support for democracy in Czechoslovakia. In short, we need to proceed with the plan and tell this upper echelon, North Atlantic Treaty Organization, NATO, and the NSRP. --CPWA

--CP01 10: 53JMP --CP04
JOHN A. PCT0000122

05/10/56 10:42:08^h

5678 JmP

5/4-187

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4-127

Chapter 4 Footnote 127

MINUTES of May 16, 1986
DENIED NSPG MEETING IN

TOTAL

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(4282)

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Chapter 4 Factuc 128

THE WHITE HOUSE
WASHINGTON

N 22715

MEETING WITH
NATIONAL ENDOWMENT FOR PRESERVATION OF LIBERTYJanuary 30, 1986
Roosevelt Room
3:00 p.m.

4-128

FROM: Linda Chavez *LC*I. PURPOSE

The National Endowment for the Preservation of Liberty (NEPL), a special program of The American Conservative Trust (ACT), has sponsored several programs in support of your defense and foreign policies. This briefing is for the principal financial contributors whose patriotism and generosity have made these public education programs so successful and influential.

II. BACKGROUND

In 1985, ACT and NEPL spent in excess of \$3 million supporting the President's programs through public awareness using television and newspaper messages. Their Central American Program was initiated last June. They produced and aired a television spot supporting your position on arms control. A post-Geneva tribute to your success at the summit was also aired on all network affiliates.

ACT/NEPL will raise \$3 million for educating public opinion on the issue of aid to the democratic resistance over the next six weeks. The purpose of this briefing is to: (1) provide current status report on the situation in Nicaragua; (2) recognize and express gratitude for their efforts in supporting the President; (3) encourage continuance of their generosity in funding these worthwhile projects.

Your participation will be preceded by briefings by Asst. Secretary Elliott Abrams (State), Oliver North (NSC) and Linda Chavez.

III. PARTICIPANTS

34 supporters and four staff members of ACT and NEPL.

IV. PRESS PLAN: White House photographer onlyV. SEQUENCE OF EVENTS

You enter Roosevelt Room, make brief remarks (per talking points), greet the guests and depart.

Attachment: Talking Points

Coordination: NSC (O. North)

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Charte 4-147 = 147

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A tax-exempt public policy research institute

R M 017211

October 15, 1985

Mr. Richard R. Miller
Treasurer
Institute for North-South Issues
1523 New Hampshire Avenue, N.W., Suite 200
Washington, D.C. 20036

Dear Mr. Miller:

Thank you for your letter of September 12, 1985.

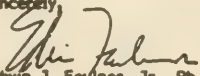
My colleagues and I have discussed your proposal in some detail, and are pleased to respond in a positive way to it. Therefore, I am enclosing a check from The Heritage Foundation in the amount of \$100,000 as you requested in your letter.

We would appreciate receiving reports from you as to the uses to which these funds have been put, and would also like to have a copy of your tax-exempt letter for our files.

It is our assumption, of course, that all of these funds will be used in accordance with the stated purposes of your 501(c)(3) organization.

Best wishes to you in your endeavors.

Sincerely,


Edwin J. Feulner, Jr., Ph.D.
President
EJF/kr
Enclosure

4284

Herbert S. Berkowitz, Vice President
Gordon S. Jones, Vice President
Burton Yale Pines, Vice President

Edwin J. Feulner, Jr., President
Phil N. Truluck, Executive Vice President

Peter E. S. Pover, Vice President
John A. Van Kannon, Vice President
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214 Massachusetts Avenue, N.E. • Washington, DC. 20002 • (202) 546-4400

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53336

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Miller 4-162

Chapter 4
Footnotes 162.55

H 000007

1985/86 Summary of
National Endowment for the
Preservation of Liberty
Program Expenditures

INTERNATIONAL BUSINESS COMMUNICATIONS

1912 Sunderland Place N.W. • Washington D.C. 20036

4285

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4/8/88

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R M 000002

INTERNATIONAL BUSINESS COMMUNICATIONS
 1310 SUNDERLAND PLACE N.W.
 WASHINGTON, D.C. 20036-5028
 TELEPHONE (202) 455-4550
 TELEX 371871 BCLSA

M E M O R A N D U M

TO: Carl Russell Channell
 President
 National Endowment for the
 Preservation of Liberty

FROM: Richard R. Miller
 Senior Partner

DATE: February 16, 1987

SUBJECT: 1985/86 summary of NEPL program expenditures

This memorandum and the materials attached to it constitute the report you requested on the application of the funds provided to IBC by NEPL in 1985 and 1986 in connection with the Central American Freedom Plan (CAFP), other NEPL programs and for the purpose of providing humanitarian aid in Central America. We have prepared or collected the following materials based on a thorough review of our records:

1. An executive summary of 1985 and 1986 expenditures which includes both the program costs of CAFP, other NEPL programs and the amount of humanitarian aid given by NEPL through IBC.
2. A comprehensive, chronological list of all NEPL deposits to our accounts and IBC expenditures in the execution of your programs for each year.
3. Documentation provided by the managing directors of Intel-Cooperation Inc. (originally I.C. Inc.), including a copy of the Memorandum of Association (corporate charter) filed with the government of the Cayman Islands and a schedule of the receipts and disbursements of that company for 1985 and 1986.
4. Copies of the retainer letter between NEPL and IBC and our program spending document that includes planning for the January 1986 Winter Meeting.
5. Copies of the wire transfers and bank orders used by IBC to distribute the humanitarian aid funds listed in section 2 and summarized in section 1.

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N 000003

You are familiar with our efforts in connection with the CAFP. In addition, the funds NEPL provided for humanitarian assistance have been applied to particularly worthy purposes. For example, your generosity has saved the arm of a little girl who was shot by the Sandinistas and paid for the reconstructive surgery in the United States that repaired the faces and limbs of young freedom fighters. You have also supported some of the best scholarly work by Nicaraguans and helped to support education efforts by exiles who wanted to bring their story to America.

Adolfo Calero has personally thanked you and me and has written to you thanking you for the help we provided to the Nicaraguan Development Council. Another major recipient is the Unified Nicaraguan Opposition (UNO), the political umbrella organization of the Nicaraguan Democratic Resistance. As your representative we have heard from other officials of the movement, and they have gratefully acknowledged the direct assistance we sent on to them.

IBC also distributed funds through Intel Co-operation Inc. to several organizations exempt from American taxation under section 501(c)(3) of the Internal Revenue Code. They are:

- Gulf and Caribbean Foundation
- Friends for the Americas
- Nicaraguan Development Council
- Latin American Strategic Studies Institute
- Institute on Terrorism and Subnational Conflict

All of these recipients have pledged that their donations were used solely for humanitarian purposes and, given the nature of their organizations, we are confident that such is the case, since it is consistent with their programs in the region.

Some of the funds, as shown in the attached materials, were deposited to the account of Lake Resources, Inc., at Credit Swiss Bank in Geneva at the request of Lt. Col. Oliver L. North. At the present time we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance.

If you have any questions about this report, we would be happy to discuss them with you.

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R M 000004

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SECTION 1

UNCLASSIFIED

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EXECUTIVE SUMMARY OF R M 000000
 IBC RECEIPTS AND EXPENDITURES FOR
 NEPL FUNDS IN 1985 AND 1986

1985 Total Deposits \$1,497,222.00

PROGRAM COSTS

Professional Fees \$351,397.15
 (1986 Payments on
 CAFP made in Dec) +140,000.00

1985 Pro. Fee payments 491,397.15

Program Expenses 104,119.85

HUMANITARIAN AID 901,705.00

1986 Deposits 3,433,098.79

PROGRAM COSTS

Professional fees 786,204.00

(Prepaid in 1985) <140,000.00>

1986 Pro. Fees payment 652,311.36

Program Expenses 388,743.33

HUMANITARIAN AID 2,392,044.10

1985/1986 Humanitarian aid breakdown

85 Direct assistance
 payments 81,705.00

85 Payments via
 Intel Cooperation 390,000.00

85 Payments via
 Lake Resources 430,000.00

TOTAL 1985 901,705.00

86 Direct assistance
 payments 42,044.10

86 Payments via
 Intel Cooperation 2,350,000.00

TOTAL 1986 2,392,044.10

GRAND TOTAL \$3,293,749.10

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R M 000005

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SECTION 2

UNCLASSIFIED

UNCLASSIFIED

R M 000007

ACCOUNT REVIEW 1985

National Endowment for the Preservation of Liberty
American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL or ACT; Deposit, for all checks and wire transfers written to IBC.

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
5/13	Deposit	NEPL		5,000.00
5/22	Debit	Stamps	44.00	
5/23	Debit	Office Supplies	571.89	
5/24	Debit	Color Photos	263.94	
5/29	Debit	FARA Books	11.00	
6/5	Debit	Office Supplies	226.52	
6/5	Debit	Couriers	745.95	
6/3	Deposit	NEPL		5,000.00
6/6	Debit	Copying Press Release	95.40	
6/6	Debit	Hill Deliveries	235.40	
6/7	Debit	Photocopying	458.60	
6/7	Debit	Copying Press Release	26.50	
6/11	Deposit	NEPL		5,000.00
6/19	Debit	Travel Expenses	2,200.00	
6/20	Debit	Cash for Travelers		
		Checks	3,500.00	
6/20	Debit	Postage	40.00	
6/25	Debit	Hill Delivery	26.75	
6/25	Deposit	NEPL		5,000.00
7/3	Deposit	NEPL		5,000.00
7/15	Deposit	NEPL/CAFP		130,000.00
7/15	Debit	Friends of Freedom		
		Commercial [REDACTED]	30,000.00	
7/15	Debit	Messengers	549.80	
7/15	Debit	Photocopying	227.40	
7/15	Debit	Travel	820.28	
7/17	Deposit	NEPL		5,000.00
7/17	Deposit	NEPL-CAFP		25,000.00
7/18	Debit	Subcontractor		
		-Schwartz	2,000.00	
7/19	Deposit	NEPL-CAFP		80,000.00
7/22	Debit	Avcom	81.94	
7/22	Debit	Directories	308.00	
7/22	Debit	Radio/TV Monitoring	45.98	
7/22	Debit	VCR	350.00	
7/22	Debit	Photos	210.94	
7/22	Debit	News conference Trans-		
		lations	500.00	
7/22	Debit	Maps	100.00	

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R M 000008

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
7/22	Debit	Daily Newspapers		
		Mailing	135.00	
7/22	Debit	Radio/TV Monitoring	116.38	
7/22	Debit	Reprints-U.S. Strategic Review	197.34	
7/22	Debit	Photocopying	368.30	
7/22	Debit	Federal Express	930.55	
7/22	Debit	Office Supplies	531.36	
7/23	Debit	NPR Tape	20.00	
7/23	Debit	Telephones	1,100.00	
7/23	Debit	Pyramid Videos	497.52	
7/24	Debit	IDU Conference Ticket	1,000.00	
7/25	Debit	Miami Car	82.58	
7/26	Debit	May to June Travel	6,235.66	
8/12	Debit	Travel-Wesley Smith	1,500.00	
8/12	Debit	Postage	100.00	
8/15	Debit	National Journal	5.00	
8/15	Debit	FPA Books	8.50	
8/15	Debit	Cinema East	3,295.00	
8/23	Deposit	NEPL-CAFP		80,000.00
8/23	Debit	Wesley Smith-travel	3,121.00	
9/3	Deposit	NEPL		10,000.00
9/3	Debit	Newspapers	159.00	
9/4	Debit	Newsweek	26.87	
9/4	Debit	Telephones	226.78	
9/5	Deposit	NEPL-CAFP		21,000.00
9/5	Debit	Freinds of Freedom		
			30,000.00	
9/11	Debit	Camera Crew	7,550.00	
9/11	Debit	Wesley Smith	500.00	
9/12	Debit	Couriers	689.00	
9/12	Debit	Writers Subcontract	10,005.00	
9/12	Deposit	NEPL-CAFP		26,300.00
9/12	Debit	Film Producer	3,000.00	
9/13	Debit	Film Crew Expenses	1,000.00	
9/13	Debit	Film Crew Fees	850.00	
9/16	Debit	Adcom	8.99	
9/16	Debit	Dubbing	30.00	
9/17	Debit	Telephone	100.00	
9/16	Debit	U.S. News Reprints	60.00	
9/17	Debit	Video Rental	232.00	
9/17	Debit	Film Crew Travel	410.00	
9/17	Debit	Casual Labor	70.00	
9/18	Deposit	NEPL-CAFP		10,000.00
9/18	Debit	Translations	398.00	
9/20	Deposit	NEPL		132,000.00
9/20	Debit	Friends of Freedom	130,000.00	
9/20	Deposit	NEPL		100,000.00
9/24	Debit	Postage	70.07	
9/24	Debit	Travel	1,256.00	
9/26	Debit	Friends of Freedom		
		-I.C. Inc.	100,000.00	
9/26	Debit	Film Crew Fees	231.00	
9/26	Deposit	NEPL		5,000.00

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R M 000009

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
9/26	Debit	Journal of Amer. Pol.	392.20	
9/30	Debit	U.S. News Reprints	60.00	
10/3	Debit	Sprint on tapes	47.50	
10/3	Debit	Travel	1,452.00	
10/4	Debit	Travel-Refugee	218.00	
10/7	Deposit	NEPL-CAFP		10,000.00
10/7	Debit	Postage	26.40	
10/8	Debit	TV Tape Dubbing	248.00	
10/8	Debit	TV Tape Dubbing	68.00	
10/8	Debit	Heritage Publications	8.95	
10/11	Deposit	NEPL-CAFP		10,000.00
10/11	Debit	Postage	98.34	
10/15	Debit	Presentation Boxes	84.59	
10/15	Debit	S. Christian Books	211.47	
10/16	Debit	Telephones	3,081.28	
10/16	Debit	Video Equipment	196.50	
10/16	Deposit	NEPL		10,000.00
10/16	Debit	Presentation Boxes	83.79	
10/17	Debit	Trevor Books	380.65	
10/18	Debit	Film Crew	10,000.00	
10/18	Deposit	NEPL		270,000.00
10/21	Debit	Postage	200.00	
10/22	Debit	Travel	3,616.00	
10/23	Debit	Film Crew Expenses	4.90	
10/23	Deposit	NEPL-CAFP		10,522.00
10/25	Debit	Film Crew Fees	1,101.36	
10/25	Debit	Gomez Expenses	4,181.00	
10/25	Debit	Friends of Freedom		
		-I.C. Inc.	250,000.00	
10/28	Debit	Couriers	987.00	
10/28	Debit	Press Club Room	154.90	
10/28	Debit	Videotaping	49.82	
10/30	Deposit	NEPL		63,000.00
10/30	Deposit	ACT		9,500.00
10/30	Debit	Forbes	4.00	
11/6	Debit	Video Editing	330.00	
11/4	Debit	Flores Expenses	37.78	
11/4	Debit	Flores Labor	204.25	
11/7	Debit	Video Transmission	400.00	
11/8	Debit	Friends of Freedom		
		-I.C. Inc.	40,000.00	
11/8	Debit	Mailgrams	1405.00	
11/8	Debit	Photographs	165.63	
11/8	Debit	Postage	82.80	
11/14	Debit	Hotel for Producer	102.66	
11/15	Debit	Travel for Flores	1010.00	
11/15	Debit	Postage	112.00	
11/17	Debit	Travel-CAFP	2,973.00	
11/19	Deposit	NEPL-CAFP		10,000.00
11/19	Debit	Expenses-CAFP		
		Producer	1,357.32	
11/19	Debit	CAFP Travel	2,088.50	
11/19	Debit	CDS-Photocopying	20.36	
11/20	Debit	Miami Trip Clemons	550.00	

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R M 000010

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
11/20	Debit	CDS-ACT Copying	108.44	
11/20	Debit	Postage	100.00	
11/27	Debit	Photocopying	27.35	
11/27	Debit	Keffer Expenses	35.86	
12/3	Debit	Speech UNO travel to D.C.	6,000.00	
12/4	Debit	Expenses, Freedom House	7.50	
12/6	Deposit	NEPL		400,000.00
12/6	Deposit	NEPL		7,500.00
12/10	Debit	Photocopying	7.28	
12/11	Deposit	NEPL		7,400.00
12/11	Debit	Telephone	3,700.00	
12/11	Debit	Newspaper	1.30	
12/11	Debit	Travel-CAFP	4,161.00	
12/12	Debit	Producer Fees- CAFP	10,000.00	
12/12	Debit	Radio Tape	50.00	
12/13	Debit	Flores Travel	60.00	
12/16	Debit	Tape of TV	16.96	
12/16	Debit	Friends of Freedom	300,000.00	
12/16	Deposit	NEPL		20,000.00
12/18	Debit	Postage	124.00	
12/20	Debit	USSR-FARA Reg.	13.50	
12/20	Debit	Travel	334.08	
12/20	Deposit	NEPL		20,000.00
12/24	Debit	Gomez Expenses	51.00	
12/29	Debit	Books	40.54	
12/30	Debit	Couriers	777.45	
12/30	Debit	Travel	2,655.45	

Total Debits 1,005,824.85

Total Deposits 1,497,222.00

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R M 000011

ACCOUNT REVIEW 1986

National Endowment for the Preservation of Liberty
American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL, ACT or Sentinel; Deposit, for all checks and wire transfers written to IBC.

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
1/2	Debit	Photocopying	200.00	
1/2	Deposit	NEPL		20,000.00
1/2	Deposit	NEPL		10,000.00
1/2	Debit	VCR-TV	753.00	
1/3	Debit	ZGS-Dubbing	114.00	
1/3	Debit	ZGS-Dubbing	138.00	
1/3	Debit	Air Courier	66.00	
1/3	Debit	FEDEX	861.00	
1/3	Debit	Newsletter	91.20	
1/3	Debit	Saxitone-Tape Recorder	427.09	
1/3	Debit	FEDEX	24.00	
1/7	Debit	Travel-CAFP	5,128.77	
1/7	Debit	PBS Terrorism Film	356.50	
1/7	Debit	U.S. News and W.R.	58.24	
1/7	Debit	Couriers	143.15	
1/7	Debit	Supplies	1,362.42	
1/7	Debit	Film Crew	10,000.00	
1/8	Deposit	NEPL		400,000.00
1/9	Debit	Cable-TV Guide	79.50	
1/9	Debit	Travel-CAFP Film Crew	1,010.00	
1/10	Debit	Travel-CAFP Film Crew	1,515.00	
1/10	Debit	Tape Dubs	45.58	
1/10	Debit	Courier	51.45	
1/13	Debit	FEDEX	27.50	
1/13	Debit	Postage	22.00	
1/13	Debit	Friends of Freedom -I.C. Inc.	360,000.00	
1/14	Debit	TV Guidebook	246.50	
1/17	Debit	Copying	54.55	
1/17	Debit	Copying	414.34	
1/17	Debit	Copying	22.05	
1/17	Debit	FEDEX	1,006.00	
1/17	Debit	FEDEX	16.50	
1/17	Debit	FEDEX	25.50	
1/17	Debit	FEDEX	16.50	
1/17	Debit	Copying	89.04	

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R M 000012

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
1/17	Debit	Videotape	\$100.00	
1/20	Debit	Letter Copying	118.04	
1/20	Deposit	NEPL		\$5,000.00
1/20	Deposit	NEPL		20,000.00
1/24	Debit	Traveler's Checks-CAFP	404.00	
1/28	Debit	Cameron Analysis	10,000.00	
1/28	Debit	Copying	85.33	
1/28	Debit	Traveler's Checks for Wesley Smith	3,605.70	
1/29	Debit	DHL Couriers	993.00	
1/29	Debit	Postage	132.00	
1/30	Debit	Radio Shack	62.68	
1/30	Debit	Western Union	402.60	
1/30	Debit	Telephone	2,007.90	
1/31	Deposit	NEPL		50,000.00
2/3	Debit	Dubbing	45.58	
2/7	Debit	Travel CAFP	2,885.68	
2/5	Debit	Traveler's Checks-CAFP	505.00	
2/5	Deposit	NEPL		20,000.00
2/5	Deposit	NEPL		756.84
2/5	Debit	Tape Dubbing	34.05	
2/6	Debit	Tape Stock	235.00	
2/7	Debit	VHS Dubbing	20.00	
2/7	Debit	Copying	31.87	
2/7	Debit	CAFP-Schwartz Subcontractor	900.00	
2/10	Debit	Traveler's Checks-CAFP	202.00	
2/10	Deposit	NEPL		100,000.00
2/10	Debit	Smith Report Grant	3,307.00	
2/10	Debit	Book	17.97	
2/12	Debit	Traveler's Checks- CAFP	1,212.00	
2/13	Debit	Tape Recorder	107.05	
2/13	Debit	Films	2,338.00	
2/13	Debit	News Tapes	105.00	
2/13	Debit	Translators	236.25	
2/13	Debit	Tapes-Goodman	408.16	
2/13	Debit	Tape-Dubs	298.00	
2/13	Debit	Tape-Dubs	112.00	
2/13	Debit	Taping-News	200.00	
2/13	Debit	Photography	756.84	
2/13	Debit	Javelin Press	112.50	
2/13	Debit	Public Brod. Dubs	26.52	
2/13	Debit	Flores-Auto CAFP	47.90	
2/13	Debit	Presentation Mater- ials	1,778.11	
2/14	Debit	VCR-Rental	91.40	
2/13	Debit	TELEX	65.43	

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R M 000013

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
2/13	Debit	Photo Publishers	79.50	
2/13	Debit	Supplies for Presen-		
		tations	138.71	
2/13	Debit	Terrorism Film Dub	495.00	
2/13	Debit	Telephone	380.60	
2/13	Debit	Wire to Speaker-CAFP	900.00	
2/13	Debit	Tape Dubbing	190.00	
2/14	Debit	Computer for Smith		
		Report	1,000.00	
2/14	Debit	CAFP Subcontract-		
		Schwartz	750.00	
2/14	Debit	Travel Expenses-		
		Schwartz	60.50	
2/14	Debit	Traveler's Checks-		
		CAFP	1,010.00	
2/14	Debit	CAFP Travel-Flores	2,031.59	
2/17	Debit	Sandwiches-CAFP		
		meeting	60.80	
2/18	Debit	Tape Dubs-Smith	249.00	
2/18	Debit	FEDEX	84.00	
2/18	Debit	Supplies for Speaker		
		Program	1,139.67	
2/18	Debit	TELEX	95.18	
2/18	Debit	Couriers	362.40	
2/18	Debit	Copying	1,265.29	
2/18	Debit	Travel-CAFP	2,701.11	
2/18	Debit	TV/Market Guide	60.00	
2/18	Debit	Reimb. CAFP Expenses	126.88	
2/18	Debit	Postage	176.00	
2/18	Debit	PR Aids-Press		
		Release	1,100.00	
2/19	Debit	Radio/TV Monitoring	127.20	
2/19	Debit	Traveler's Checks-		
		CAFP	1,010.00	
2/19	Debit	Travel Expenses	72.00	
2/19	Debit	Tape Recorders	347.15	
3/4	Debit	Wesley Smith		
		Expenses	1,254.34	
3/4	Deposit	NEPL		28,750.00
3/3	Deposit	NEPL		7,000.00
3/6	Debit	NDC-Donation	25,000.00	
3/7	Debit	LASSI-Briefing Book	25,000.00	
3/7	Deposit	NEPL		65,000.00
3/7	Deposit	CAFP-Traveler's Checks		1,100.00
3/8	Debit	CAFP Exps-Schwartz	505.00	
3/10	Debit	Traveler checks-CAFP	505.00	
3/11	Debit	Traveler checks-CAFP	141.35	
3/11	Debit	Travel Reimb.-CAFP	6,740.69	
3/11	Debit	Photo's-Wesley Smith	23.10	
3/12	Debit	Traveler checks-CAFP	808.00	
3/12	Debit	Translations-Smith		
		Report	2,028.00	

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R M 000014

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
3/12	Debit	Smith Report		
		Printing	1,580.78	
3/14	Debit	Postage	110.00	
3/14	Debit	Traveler checks-CAFP	808.00	
3/14	Debit	Traveler checks-CAFP	505.00	
3/10	Debit	Furniture for Office	2,544.10	
3/14	Debit	CAFP Subcontractor- Schwartz	2,100.00	
3/17	Debit	KMOL-TV Tape	52.81	
3/17	Deposit	NEPL		263,000.00
3/17	Debit	WCJB Tape	50.00	
3/19	Debit	Printing	1,625.47	
3/20	Debit	Traveler checks-CAFP	1,010.00	
3/21	Debit	Expenses-CAFP Speaker	200.00	
3/21	Debit	Travel-CAFP	4,590.00	
3/21	Debit	CAFP Subcontract- Semilla	1,714.34	
3/21	Debit	Expense Reimb.-Smith	1,437.72	
3/21	Debit	Videotape Production Crew	6,206.85	
3/24	Debit	Office Rent	4,500.00	
3/24	Debit	Computer Rental-Smith	270.06	
3/24	Debit	Traveler checks-CAFP	404.00	
3/25	Debit	UPS	7.49	
3/25	Debit	Subcontractor-Smith	2,520.00	
3/26	Debit	Smith News Conference Room Rental	399.74	
3/26	Debit	Audio Dubbing	25.00	
3/28	Debit	CAFP Subcontractor- Castellanos	1,500.00	
3/28	Debit	CAFP Subcontractor- Schwartz	1,650.00	
3/26	Deposit	NEPL		724,990.00
3/26	Debit	CAFP Bills-AMEX	8,838.96	
3/31	Debit	Press Conference Releases	43.64	
4/1	Debit	CAFP-Videotape Dubs	132.50	
4/1	Debit	WCLF-TV Videotape	56.25	
4/1	Debit	Maps-SDI	21.09	
4/2	Debit	Smith Expenses	1,312.84	
4/2	Debit	Smith UPS	10.81	
4/2	Debit	Smith Report Supplies	2,385.15	
4/7	Debit	Couriers	1,772.15	
4/7	Debit	FEDEX	40.00	
4/7	Debit	FEDEX	13,678.50	
4/7	Debit	Telephone	535.00	

UNCLASSIFIED

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R M 000015

DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
4/7	Debit	IRD-Speaker CAFF	800.00	
4/8	Debit	Bumper Stickers	1,953.00	
4/9	Debit	Telephone	4,885.30	
4/9	Debit	Freinds of Freedom		
		-I.C. Inc.	740,000.00	
4/8	Debit	Translator CAFF	1,799.00	
4/14	Deposit	NEPL		100,650.00
4/14	Debit	Cong. Quarterly Maps	42.18	
4/15	Debit	CAFF Subcontractor-		
		Castellanos	196.00	
4/16	Debit	Congressional Direct.	26.00	
4/18	Debit	Printing-CAFF	216.00	
4/18	Debit	Telephone	1,934.31	
4/18	Deposit	NEPL		29,977.00
4/21	Deposit	NEPL		170,000.00
4/21	Debit	Flores Expenses-CAFF	83.09	
4/21	Debit	Telephone	800.00	
4/21	Debit	AMEX	42,960.00	
4/18	Debit	Telephone	966.09	
4/21	Debit	Photographer	305.00	
4/21	Debit	CAFF Expen.-Castel-		
		lanos	301.19	
4/28	Debit	Postage	110.00	
5/5	Debit	Tape Stock	280.37	
5/2	Debit	National Review Reprint	1.00	
5/5	Debit	Congressional Record	218.00	
5/5	Debit	Photo Reproduction	222.87	
5/7	Debit	NEPL Printing	447.56	
5/5	Debit	U.S. Documents	5.00	
5/8	Deposit	NEPL		1,250,000.00
5/8	Debit	ACYPL Dinner	1,000.00	
5/9	Debit	Postage	16.41	
5/14	Debit	Nightline Transcript	2.00	
5/14	Debit	Friends of Freedom		
		-I.C. Inc.	1,250,000.00	
5/15	Debit	Supplies	805.66	
5/15	Debit	Copying	398.60	
5/15	Debit	NPC Room Rental	355.86	
5/15	Debit	Interpass	1,100.00	
5/15	Debit	WETA Tapes	25.00	
5/15	Debit	WETA Transcripts	130.00	
5/15	Debit	Translations	2,300.00	
5/15	Debit	Couriers	1,487.57	
5/15	Debit	SDI Brochure Design	2,019.57	
5/15	Debit	Videotape Dub	25.00	
5/15	Debit	WTLV Tape	100.00	
5/16	Debit	Expenses-CAFF	5.10	
5/21	Debit	Postage	110.00	
5/23	Debit	AMEX	11,585.66	
5/29	Debit	Couriers	235.25	
5/29	Debit	Telephone	1,312.53	
6/1	Debit	Audio tape Dub	40.00	
6/3	Debit	Maps-CAFF	5.30	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
6/3	Debit	Video Production	761.00	
6/9	Debit	Portfolios-CAFP	74.40	
6/11	Debit	SDI Briefing Books	669.04	
6/13	Debit	Copying	2,022.29	
6/13	Debit	NEPL Maps	39.08	
6/16	Debit	NEPL Maps	150.00	
6/16	Deposit	NEPL		72,929.00
6/19	Debit	AMEX	4,799.12	
6/19	Debit	Telephone	1,137.26	
6/19	Debit	Couriers	248.00	
6/19	Debit	Photography	414.00	
6/19	Debit	Radio/TV Monitoring	442.66	
6/19	Debit	Supplies	965.53	
6/19	Debit	Nova Tapes	4.00	
6/19	Debit	FEDEX	1,580.50	
6/19	Debit	FEDEX	574.85	
6/19	Debit	FARA Registrations	2.40	
6/19	Debit	NEPL Maps	150.00	
6/23	Debit	National Journal	93.28	
6/23	Debit	Eason Associates-SDI Brochure	12,000.00	
6/27	Debit	NEPL Tape Dubs	40.00	
6/27	Debit	NEPL Tape Dubs	175.00	
7/1	Debit	Postage	110.00	
7/10	Debit	Translations	697.00	
7/10	Debit	Couriers	272.25	
7/10	Debit	Telephone	306.47	
7/10	Debit	FEDEX	333.25	
7/10	Debit	Supplies	813.67	
7/10	Debit	Photography	58.30	
7/10	Debit	Lion Recording	11.13	
7/10	Debit	Smith final Expenses	600.00	
7/16	Debit	Forbes Reprint	6.50	
7/17	Deposit	NEPL		46,193.00
7/21	Debit	Travel-CAFP	3,000.00	
7/21	Debit	Traveler Checks-CAFP	606.00	
7/24	Debit	Traveler Checks-CAFP	1,111.00	
7/24	Debit	Flores Expenses	51.13	
7/24	Debit	FEDEX	255.75	
7/24	Debit	Graphics-SDI	212.00	
7/24	Debit	Printing	126.66	
7/24	Debit	Radio/TV Monitoring	152.64	
7/24	Debit	TV Production	566.04	
7/24	Debit	AMEX	5,036.85	
7/24	Debit	Telephone	200.00	
7/24	Debit	FEDEX	21.50	
7/29	Debit	Catterton Printing	315.50	
7/31	Debit	NEPL Expenses	42.10	
7/31	Deposit	NEPL		6,100.00
8/4	Debit	SDI Graphics	2,500.00	

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DATE	ITEM	DESCRIPTION	DEBIT AMOUNT	DEPOSIT AMOUNT
8/12	Debit	Recording Services	126.60	
8/12	Debit	Expenses-CAFP	40.44	
8/18	Deposit	NEPL-SDI		14,000.00
8/18	Debit	SDI Subcontractors	5,000.00	
8/21	Debit	Couriers	234.50	
8/21	Debit	Telephones	200.00	
8/21	Debit	Nexis Searches	2,847.10	
9/15	Debit	Wesley Smith Final Expenses	296.70	
9/15	Debit	AMEX	15,062.01	
9/18	Debit	Cagle and Associates-NEPL-SDI	2,403.33	
9/18	Debit	Couriers	533.75	
10/9	Debit	Couriers	272.25	
10/14	Deposit	NEPL		20,000.00
10/22	Debit	AMEX	41,768.13	
10/22	Deposit	NEPL		7,652.95
10/30	Debit	SDI-Writer Subcontract	7,600.00	
10/30	Debit	NEPL-SDI Supplies	119.85	
10/30	Debit	NEPL-SDI News Conference	597.57	
10/30	Debit	NEPL-SDI Defense News	65.00	
10/30	Debit	Radio/TV Monitoring	322.74	
10/30	Debit	Photos-NEPL	159.00	
10/30	Debit	NEPL-Tape Dubs	164.30	
10/30	Debit	NEPL Books	50.00	
10/30	Debit	FEDEX	1,263.00	
10/30	Debit	FEDEX	266.00	
10/30	Debit	FEDEX	171.75	
10/30	Debit	Copying	652.41	
10/30	Debit	Guillen Expenses	17.60	
10/30	Debit	TELEX	229.24	
10/30	Debit	Lawyer Fees	12,658.62	
10/30	Debit	Nexis	1,293.67	
11/3	Debit	[REDACTED]	10,000.00	

Total Debits 2,780,787.43

Total Deposits 3,433,098.79

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SECTION 3

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THE COMPANIES LAW
Company Limited by Shares
MEMORANDUM OF ASSOCIATION

600019

OF

I.C. INC.

Cayman Islands

1. The name of the Company is "I.C. INC."
2. The Registered Office of the Company will be situate at the offices of Cayhaven Corporate Services Limited, Swiss Bank Building, Port Street, George Town, P.O. Box 1043, Grand Cayman, Cayman Islands, British West Indies.
3. The objects for which the Company is established are:
 - (i) To distribute any benevolent contributions made by foundations, private organizations and individuals to other worthy benevolent organizations and political entities representing such organizations.
 - (ii) To acquire any shares, stocks, debentures, debenture stock, bonds, mortgages, notes, bankers' acceptances, obligations and other securities issued by any company, corporation or undertaking of whatever nature and wheresoever constituted or issued or guaranteed by any government, sovereign ruler, commissioners, trust authority or other body of whatever nature, by original subscription, syndicate participation, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.
 - (iii) To buy, sell and deal in all commodities and commodity futures, including silver and to buy sell and deal in bullion and specie, to receive money and valuables for safe custody or otherwise other than on deposit repayable by cheque or order, to collect and transmit money and securities, to grant and issue letters of credit, circular notes and to manage and advise on the management of securities and investments.
 - (iv) To carry on business as capitalists, financiers, concessionaires, brokers and merchants and to undertake [unclear], carry on and execute all kinds of financial, commercial and trading operations, except banking and trust operations.

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carry on any other business which may seem to be capable of being conveniently carried on in connection with or of these objects or calculated directly or indirectly to enhance the value of, facilitate the realization of, or render profitable any of the Company's property or rights.

- (v) To provide or procure management, including the management of investments and other property, administrative, sales and technical assistance, service and advice on a contract, loan, secondment, employment or other basis and to provide consultative staff and employees who will give management, administrative, sales, marketing and technical assistance, service and advice to any person or company anywhere in the world on any matter or any type of business whatsoever and to act as managers, registrars, administrators, secretaries, auditors, accountants of bodies corporate or unincorporate in any part of the world, for the Company's account or for third parties.
- (vi) To buy, sell, deal in, trade, transmit, lease, hold, improve, sub-divide, or develop real estate, and the fixtures and personal property incidental thereto or connected therewith and to acquire by purchase, lease, hire or otherwise, lands and all forms of buildings or constructions or any interest therein and to improve the same generally to hold, manage, deal with and improve the property of the Company, and to sell, lease, mortgage, pledge or otherwise dispose of the lands, buildings and constructions or other property of the Company..
- (vii) To carry on the business of farming in all its branches, including without prejudice to the foregoing generally arable and fruit farmers, dairy and poultry farmers, live stock breeders of every variety of animal whether bred of pedigree stock or otherwise, and also fishermen.
- (viii) To contract for public or private loans and to negotiate, underwrite and issue the same; without prejudice to the foregoing generally with reference to commodity, contract futures, or foreign exchange contracts to enter into conditions or forward contracts for the acquisition or disposal of such assets.



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(xxx) To do all such things as may be considered to be incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only in so far as otherwise expressed in any such paragraph) shall be separate, distinct and independent objects of the Company and shall not be in anywise limited by reference to or inference from any other paragraph or the order in which the same shall occur or the name of the Company.

AND IT IS FURTHER HEREBY DECLARED that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Islands; Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

4. The liability of the members is limited.
5. The capital of the Company is US\$900,000.00 divided into 900,000 shares of a nominal or par value of US\$1.00 each provided always that subject to the provisions of the Companies Law, Cap. 22 as amended and the Articles of Association the Company shall have power to redeem any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

Certified to be a true and correct copy

SIG. WOODWARD L. TERRY

DATE 16.5.86



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- 2 -

We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

NAMES, ADDRESSES AND DESCRIPTIONS
OF SUBSCRIBERS

NUMBER OF SHARES
TAKEN BY EACH
SUBSCRIBER

CATHAVEN CORPORATE SERVICES LIMITED
P.O.Box 1043,
George Town,
Grand Cayman

One Share

Per: (Sgd.) David G. Bird
David G. Bird - Director

DAVID G. BIRD
P.O.Box 265,
George Town,
Grand Cayman

One Share

(Sgd.) David G. Bird
Attorney-at-Law

ALASTAIR J.W. LOUDON
P.O.Box 265,
George Town,
Grand Cayman

One Share

(Sgd.) Alastair J.W. Loudon
Attorney-at-Law

Dated April 25, 1985

(Sgd.) C. KIPLING

Witness to the above signatures: Christiane Kipling

Address: P.O.Box 265, Grand Cayman

Occupation: Secretary

I, DELANCO SOLICION *Del*
Registrar of Companies in and for the Cayman Islands DO HEREBY CERTIFY
that this is a true copy of the Memorandum of Association of "I.C. INC."

Dated this 26th day of APRIL 1985

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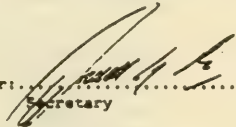
CERTIFIED SPECIAL RESOLUTIONS OF THE SHAREHOLDERSOFI.C. INC.

"RESOLVED that the amended Memorandum of Association be and is hereby adopted in place of and to the entire exclusion of the existing Memorandum of Association."

"RESOLVED that the name of the Company be changed to INTEL CO-OPERATION INC."


WE HEREBY CERTIFY THAT THE ABOVE ARE TRUE COPIES OF RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY WHICH WERE ADOPTED ON 9TH MAY, 1986.

CAYHAVEN CORPORATE SERVICES LIMITED

Per: 
Secretary

13th May, 1986

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and transmit money and securities, to grant and


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INTEL CO-OPERATION INC.Schedule of ReceiptsApril 25, 1985 (date of incorporation)
to December 31, 1985:

Sept. 27, 1985	I.B.C.	100,000.00
Oct. 29, 1985	I.B.C.	250,000.00
Nov. 13, 1985	I.B.C.	80,000.00
Nov. 13, 1985	I.B.C.	40,000.00
Nov. 27, 1985	Bank draft - Continental Bank	5,000.00

 475,000.00

January 1, 1986
to December 31, 1986:

Jan. 1, 1986	I.B.C.	360,000.00
Apr. 4, 1986	I.B.C.	740,000.00
May 15, 1986	I.B.C.	1,250,000.00
Aug. 7, 1986	Nat. Endowment for Preservation Liberty	100,000.00
Oct. 2, 1986	Nat. Endowment for Preservation Liberty	200,000.00
Oct. 8, 1986	Nat. Endowment for Preservation Liberty	100,000.00
Oct. 21, 1986	Nat. Endowment for Preservation Liberty	50,000.00

 2,800,000.00

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N H 000025

Schedule of Distributions

April 25, 1985 (date of incorporation)
to December 31, 1985:

Oct. 8, 1985	Lake Resources Inc.	100,000.00
Nov. 1, 1985	Lake Resources Inc.	150,000.00
Nov. 1, 1985	[REDACTED]	100,000.00
Nov. 14, 1985	Lake Resources Inc.	48,000.00
		<hr/>
		398,000.00
		<hr/>

January 1, 1986
to December 31, 1986:

Jan. 2, 1986	Barclays Bank, Miami	40,000.00
Jan. 21, 1986	Barclays Bank, Miami	20,000.00
Jan. 21, 1986	Lake Resources Inc.	360,000.00
March 17, 1986	Riggs Nat. Bank - Katyal	15,000.00
Apr. 11, 1986	Lake Resources Inc.	650,000.00
Apr. 21, 1986	Gulf & Caribbean Foundation	14,254.00
May 5, 1986	1st American Bank - Carlos Ulet	10,000.00
May 9, 1987	Barclays Bank, Miami,	
	Denise Ponce	11,000.00
May 14, 1986	World Affairs Counselors Inc. (WACI)	10,000.00
May 18, 1986	WACI	125,000.00
June 4, 1986	[REDACTED]	15,000.00
June 13, 1986	Barclays Bank, Miami	500,000.00
June 13, 1986	[REDACTED]	7,000.00
June 13, 1986	Latin American Strategic	
	Studios Institute	5,000.00
June 13, 1986	Institute on Terrorism &	
	Subnational Conflict	75,000.00
June 13, 1986	Intercontinental Bank, Miami	10,000.00
July 3, 1986	Friends of the Americas	125,000.00
July 14, 1986	WACI	38,000.00
July 28, 1986	[REDACTED]	7,000.00
July 28, 1986	Latin American Financial	
	Services	55,700.00
July 28, 1986	Latin American Strategic Studies	
	Institute	5,000.00
July 28, 1986	Barclays Bank, Miami	10,000.00
July 28, 1986	Gulf & Caribbean Foundation	6,928.00
July 29, 1986	WACI	10,000.00

Carried forward

2,126,882.00

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	Brought forward	2,124,882.00
August 29, 1986	WACI...	10,000.00
Sept. 19, 1986	Latin American Strategic Studies Institute	20,000.00
Sept. 19, 1986	[REDACTED]	7,000.00
Sept. 19, 1986	Latin American Strategic Studies Institute	5,000.00
Sept. 26, 1986	[REDACTED]	100,000.00
Oct. 2, 1986	[REDACTED]	150,000.00
Oct. 2, 1986	WACI...	20,000.00
Oct. 7, 1986	WACI...	49,000.00
Oct. 8, 1986	WACI...	10,000.00
Oct. 21, 1986	WACI...	5,000.00
Oct. 21, 1986	[REDACTED]	10,000.00
Oct. 21, 1986	Agro Bank - Polca S.A.	25,000.00
Nov. 12, 1986	WACI...	10,000.00
Nov. 12, 1986	Latin American Strategic Studies Institute	5,000.00
Nov. 26, 1986	WACI...	65,000.00
Nov. 26, 1986	[REDACTED]	75,000.00
Dec. 18, 1986	WACI...	100,000.00
Dec. 18, 1986	Latin American Strategic Studies Institute	10,000.00
		<hr/> 2,800,882.00

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SECTION 4

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NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

R M 000023

August 1, 1985

305 FOURTH ST. N.E.
SUITE 1000
WASHINGTON, D.C. 20002

Mr. Richard R. Miller
President
International Business Communications
1523 New Hampshire Ave., NW
Washington, D.C. 20009

Dear Mr. Miller:

This letter is a formal retainer agreement between International Business Communications and the National Endowment for the Preservation of Liberty. While we have engaged I.B.C. for work on programs of the Endowment and the political action committee, The American Conservative Trust, at a fluctuating monthly fee we would like to undertake a more formal arrangement.

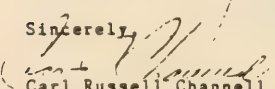
The present agreement made verbally by you, me and Daniel L. Conrad, NEPL Executive Director, called for a monthly retainer of fifteen thousand dollars plus expenses. This agreement was made before the proliferation of our public education and political programs. With this in mind we agree to begin paying I.B.C. a monthly retainer of forty thousand dollars and we understand that I.B.C. reserves the right to increase the charges to the Endowment to meet increases in costs such as personnel and operating expenses. At the time of billing and throughout the month I.B.C. will try to apprise us of potential extraordinary costs.


As you spend money collected from us to pay for programs you manage for us we will meet occasionally to discuss immediate and near-future expense needs. Since our programs are fast developing and can take on urgency not normally encountered in the public relations field, we understand that you may make occasional demands for cash deposits to cover major expenditures.

For the next few months you should be reviewing the cost of this arrangement to International Business Communications. Should we determine that these agreed upon operating standards do not work, we reserve the right to renegotiate the retainer arrangement. You will provide Mr. Conrad with written or oral cost analysis at the time of submission of your expenses and time and billing records.

If this agreement is acceptable please countersign this letter and return it to us.

Sincerely,


Carl Russell Channell
President


Richard R. Miller
President

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January 20, 1986

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 fourth Street, N.E.
Washington, D.C. 20002

Dear Mr. Channell;

Thank you for including me in your winter meeting in Palm Beach, Florida this month. The chance to help plan the execution of programs by the National Endowment for the Preservation of Liberty, the American Conservative Trust were very useful in planning the I.B.C. level of effort needed to carry out our responsibilities to you.

The agenda of the Endowment and its related organizations is very ambitious and will take an extraordinary amount of talent, manpower and creative effort. I.B.C. is prepared to undertake this effort. We will however need to revamp our financial arrangements with you.

Here-to-date we have concentrated on the Nicaraguan public education effort and special programs designed to support the President in obtaining his goals in Central America. Now we are to undertake a mammoth program to educate the American Public, senior government officials and influential Americans. This program will require major outlays of personnel and will require in and of itself the use of several senior level consultants. The monthly fees for this program alone will be forty thousand dollars plus expenses.

In your outline of the the 1986 programs, you have also directed that I.B.C. design and implement a program to promote the public's support of President Reagan's Strategic Defense Initiative. This program will require the development of a major briefing book for policymakers and SDI champions, the direction of a speakers tour and consultation with your advertising agencies on advertising campaigns. This effort will be undertaken for a monthly fee of twenty thousand dollars and expenses. I.B.C. will be responsible for all additional consultant fees necessary to run this program.

The third program that you have asked us to consider working on are the Future of Freedom Seminar Series. These programs would undertaken by The American Conservative Trust and funded funded

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by contributors under an arrangement to be designated by you at a later time. However, we will incur expenses in the development of these programs and may need additional consultants and consulting organizations to be involved in the effort. Such additional consultants will be your financial responsibility through reimbursement to us. We will not undertake such efforts without your verbal approval.

Your terrorism film and conference ideas are not yet assigned to I.B.C. but we understand that may change at a later date.

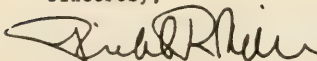
Also, we understand that your Constitutional Minutes Project may also be assigned to us as a 1986 program but that formal agreement on this will wait until a later date.

Finally, one aspect of our financial arrangements needs to be clarified going into this year. We are not in a position to know the final purpose and use of all the services you request of us. As the "TO-DO" list reaches thirty and forty items at a given time, we simply execute the tasks you assign us as we can. In this operational mode it is impossible for us to independently bill your various organizations for specific work hours. Therefore it will be your responsibility to internally identify the end user of our billed services. We trust that this is an area that you and your lawyers are quite capable of handling yourselves.

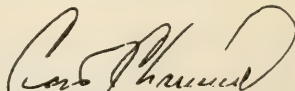
The impact of your efforts on behalf of the President have been major and unique. We look forward to serving you in your efforts in 1986.

If this letter represents your understanding of our relationship, please countersign to letter and return it to me.

Sincerely,



Richard R. Miller
President
I.B.C.



Earl Russell Channell
President
NEPL

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CENTRAL AMERICAN

FREEDOM PROGRAM

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UNCLASSIFIED**CENTRAL AMERICAN FREEDOM PROGRAM**Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination.

And Ronald Reagan, leading a rejuvenated America, has caught these winds of change. He is dramatically aligning American policy, resources, and moral support with the force of that gathering storm.

President Reagan's policy, when fully developed, is destined to trigger the overthrow of communist tyranny. This will happen around the world, in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981. Then the U.S. declared support for the Nicaraguan Freedom Fighters.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. Nearly 400,000 (one out of every six Nicaraguans) lives under Freedom Fighter protection.

The democratic forces have endured years of conflict with a communist army easily six times their number. More remarkably, they have steadily increased their ranks in the midst of the struggle. These democratic forces

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continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan has offered decisive assistance to the democratic forces. And, if this assistance is fully endorsed by the Congress, it could, in fact, carry them to victory over communism in Nicaragua this year.

When victory occurs, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator.

Finally, Ronald Reagan's actions will herald a new dynamic American policy. It is a policy of materially supporting freedom movements struggling to overthrow communist regimes. Freedom is on the offensive.

Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of public support for Freedom Fighters and the President's policy.

Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody.

The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

In spite of the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua. They don't understand the clear threat it poses to vital American security interests.

A 1985 public opinion poll showed more than one-third of those surveyed did not know which side the United States supports. Twenty percent thought we support the (communist) government!

A later poll found that among those aware of U.S. policy, 58% said we should not be giving aid to the Democratic Opposition.

It is tragic, but not surprising that so many people are ill-informed, and that so many oppose our policies. It's not surprising because the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign. It is being conducted by

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opponents of the President.

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The Sandinistas abuse the freedoms in the U.S. that they deny to their own people. They do this by hiring a Washington law firm and two public relations firms under contract to spread disinformation.

They are aided by the Soviet Union and Cuba. The Soviets and Cubans already spend tens of millions of dollars to shape public policy in America. Their actions are supported by a vast network of communist and leftist activist sympathizers. Soviet spokesmen regularly seek tv time. Phil Donahue gave Nicaraguan dictator Ortega an hour in October.

These people operate at the grass-roots level and in Washington. They use the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans. We must counter the disinformation program of the Sandinistas. We must educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM.

The overriding goal of this program is to educate the American people. It will show the realities of communism in Nicaragua. It will show the threat to U.S. national security.

We have chosen television as the major vehicle. We believe it is the most successful to carry our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend \$2,000,000 in the next 90 days.

This is over \$160,000 every week for public education and information on the issue of Nicaragua. A longer, \$3 million program is under consideration and will be implemented if required to fully educate the American public.

When our program achieves its public awareness goals, it will become a useful model for similar activities by other in the future. Our program is truly unique. It has become the pioneering effort in this area.

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Central American Freedom Program

The National Endowment for the Preservation of Liberty is focusing its education program on seven issues. They are:

- 1) Nicaraguan communist persecution of its citizens;
- 2) Denial of religious and political rights;
- 3) The creation of an aggressive armed Soviet satellite on the North American continent;
- 4) The creation of Cuban bases inside Nicaragua;
- 5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;
- 6) Support for revolution in El Salvador;
- 7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters.

We are developing the images of the UNO leadership. We are graphically showing the situation facing over 400,000 Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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Public Affairs Components

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Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States.

They have a combined budget of \$2 million. They are using this war chest to concentrate on the districts of Congressmen who have opposed aid to the Freedom Fighters.

They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans. They have planted disinformation, too, like the recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists. They recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy.

And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger. He can vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. So, the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam.

This ignorance and the isolation it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

Objectives

As Congressional debate heats up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have.

We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, the President's democratic initiative will be defeated.

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If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency. It will end America's retreat from her responsibilities as the leader of the free world.

To accomplish this, the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Congress - Through issues now associated with America's leadership role in supporting democracy in the region against the developing communist threat. NEPL, as an educational organization, is not permitted to engage in lobbying activities. Our co-sponsor, Sentinel, is permitted to engage in lobbying activities and will undertake the responsibility of bringing this important issue to the attention of members of Congress.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

Program Elements

Time is short and we are fighting for public support over a wide geographic area. So, we are treating this like a national educational campaign, with March 15 as our target.

We are using the methodology of national political campaigns. We are seeking to emphasize the disturbing truth about the communist control over Nicaragua. We are debating the unclaimed issues to our advantage. And we are reinforcing our positive public perceptions to educate and inform.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques:

Television advertising - We have analyzed Congressional action on the last aid package. Based on this research, we are producing materials for

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television spots which focus on:

- 1) Daniel Ortega's trip to Moscow and the \$220 million commitment he received from the Soviets for offensive military weaponry.
- 2) The recent crackdown on human rights directed against the entire Nicaraguan population.
- 3) Ortega's purchase of \$3,500 in designer eyeglasses while his people starve.
- 4) The communists militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.
- 5) That Cubans are now proved to be actively involved in combat.
- 6) That Nicaragua has become a lair and a refuge.
- 7) The humiliation of Pope John II when he was spat upon and heckled when he tried to conduct Mass in Managua.

Spokesman program - using the prototype program already underway, we are placing speakers in 50 markets between now and March 15, 1986.

These speakers are booked into a civic club or professional organization in a market. Then they are scheduled for television, radio and newspaper interviews.

The speakers come from the ranks of the United Nicaraguan Opposition (UNO) leadership. They can defend all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

- 1) Escort "guides" and interpreters;
- 2) Denial of access to selected parts of the country;
- 3) Imposition of "taboo" themes;

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- 4) Screening and censorship of footage for export;
- 5) Monitoring of telephones and telex;
- 6) Expulsion or denial of entry to any offenders.

At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating.

The result is timid, selective, highly censored and heavily biased television coverage. Battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with videotape from the field. It shows scenes never seen before in the U.S.

It includes combat footage and evidence of Sandinista atrocities. We are also providing footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

- 1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.
- 2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.
- 3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

Policymakers

Given the compressed time frame, policymakers can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere.

The primary effort is focused in specially selected areas of the country, but we are reinforcing this effort with a public affairs and education program including:

- A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. We will use recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults.

We will cite evidence of Libyan, PLO and Iranian

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terrorists working in Nicaragua. From these facts, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

- B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the policymakers.

Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand.

The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

- C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for policymakers.

The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S.

A Cuban exile leader has been added to the spokesman program.

- D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics trafficking are issues with which no one can publicly disagree.

We will ask Don Johnson of MIAMI VICE, or a strong anti-drug figure such as Rosie Greer, to give a briefing on the drug trafficking evidence the Administration has on the Sandinistas.

He will be asked to write an Op-Ed piece for national distribution through paid and direct placements.

The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA.

We would also produce a news spot for satellite distribution.

- E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere.

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The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations.

They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

- F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Congress

We expect to reach Congress primarily through the media we will be using for the policymakers. However, special briefings will also be used to educate specific target audiences within this group.

These briefings will be arranged by our co-sponsor, Sentinel. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership

The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. We will provide UNO leaders with public opinion analyses.

When possible, we are incorporating the UNO leadership in events and briefings that further their image of unity.

Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public will defeat democracy in Nicaragua.

Through its public education program, the National Endowment for the Preservation of Liberty will give the President a chance to free this continent of communism. We will strike a decisive blow for democracy.

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CENTRAL AMERICAN FREEDOM PROGRAM BUDGET**1. Television field projects****Personnel**

- field producer
- camera man
- sound man
- correspondent

Equipment

- six cameras
- sound package
- editing machine
- character generators

Transportation

- airfares
- ground transportation
- local travel

Travel expenses

- in-country expenses
- U.S. travel for editing

Studio time

- in-country studio for editing
- U.S. production facilities

Tapes supplies

- tape stock
- battery packs
- lights and reflectors

(\$60,000 per month for 5 months)

\$ 300,000**2. Marketing of field TV programs**

(5 projects at \$24,000 per)

120,000**UNCLASSIFIED**

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3. Speaking tour program

Tour to include:

- speaking engagements
- editorial board meetings
- television interviews
- radio interviews
- newspaper interviews
- briefings for church, business, labor, political, and college organization leaders

Costs for tours

(January to March 15, 1986)

Travel

(7 weeks, 2 speakers,
each week \$8,700) \$121,800

Per diem for speakers

(\$220 per day, 5 days per
trip, 7 weeks for 2
speakers per week) 15,400

Expenses

(ground transportation, phones,
tips, \$800 per trip, for 14
one week schedules) 11,200

SUBTOTAL

148,400

4. Supplementary services, including:

- postage
- telephones
- telex
- couriers
- translations

(\$4,700 per month for 5 months)

27,750

5. Administration/Coordination, including:

Professional staff:

- 2 senior partners
- 1 local coordinator
- 1 Program Coordinator
- 1 Senior Writer
- 2 Account Executives
- 1 Media Coordinator

Verification of Placement

- clipping retrieval
- polling data assembling
- monitoring network feedback

(\$53,500 for 2 months, January
to March 15)

107,000

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6. Advertising and paid media

Television advertising:

Production of 4 TV messages \$ 80,000

D.C. media buys 225,000

Nationwide market buys 750,000

SUBTOTAL 1,055,000

7. National Media Placement

- Network and syndicated TV and Radio
- National newspapers
- National periodicals

158,850

8. Polling and research

- national
- local

83,000GRAND TOTAL \$2,000,000
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**ACTION PLAN FOR 1986 PROGRAMS OF THE
AMERICAN CONSERVATIVE TRUST
AND
THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY**

Introduction - This action plan is divided into five specifically focused programs as directed by Mr. Channell. In each case the contractor and subcontractor designations are indicated. The programs are as follows:

FRIENDS OF FREEDOM PROGRAM - This program is an effort to directly support the President's initiatives in Central America and Nicaragua through political and educational institutions in the region. This program is based on direct grants to religious, political, academic and professional organizations in Latin and Central America.

CENTRAL AMERICAN FREEDOM PROGRAM - This program is an effort to educate the American public, policy makers and the media on the issues surrounding Nicaragua and the President's policy toward it. It incorporates a wide variety of public education tools including television productions, spokesmen tours, Op-Ed articles, commissioned journalistic documentaries and television advertising. The program goal is to establish a national consensus that will allow official American support for democracy as a policy.

SDI SUPPORT PROGRAM - This program is designed to support the President's Strategic Defense Initiative through a public education program. This program is based on the political assessment that the Soviets will seek to undermine the President and the national consensus he now enjoys on SDI. This issue will be focused in the Congress and media for the next 21 months, through two Congressional funding cycles, as the Soviets set up their misinformation program to combat SDI. The NEPL program is designed to provide strong public information programs in the national media, through televised messages, feature productions, and print advertising in the nationally read newspapers. The program will also provide media, academic and political organizations with speakers or guest journalist works to develop support for the President.

FUTURE OF FREEDOM SEMINAR SERIES - This program is a series of briefings for high level conservative activists on critical foreign policy, monetary and national issues. The ACT will seek to host a series of formal meetings with a senior government official to brief senior ACT and NEPL contributors on current critical issues dealing with the national security.

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international terrorism, regional conflict resolution, as well as international monetary policy, domestic spending and tax policy. For the most part these events will be quiet, private gatherings hosted by ACT and featuring a briefing by a senior member of the Administration.

TERRORISM: A US RESPONSE - This program is an educational effort directed towards increasing public awareness of the connection between terrorism against Western governments and Soviet political brinksmanship. This program will use television, print and periodical distributions to communicate the need for a national program to combat terrorism. It will focus public attention on the role of the Congress, the President and our allies in combatting terrorism.

For each program discussed, this action plan outlines the key issues addressed by the program, an evaluation of present circumstances, the program objectives and the program elements to reach those objectives. In each case the contractor and subcontractor relationships are indicated, as are the specific communications vehicles selected for use in achieving the program's objectives.

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Central American Freedom Program

Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination. And Ronald Reagan, leading a rejuvenated America, has caught these winds of change and is dramatically aligning American policy, resources, and moral support with the force of that gathering storm which is destined to overthrow communist tyranny in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta became systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government radically changed in 1981 and declared support for the Nicaraguan Freedom Fighters began.

Since 1981, opposition to the communist-controlled Nicaraguan government has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. The democratic forces have not only endured years of conflict with a communist army easily six times their number, but have steadily increased their ranks in the midst of the struggle. These democratic forces continued to gain strength even during the year that United States aid was cut off.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan, however, is preparing to offer decisive assistance to the democratic forces which, if fully endorsed by the Congress, could in fact carry to them to victory over communism in Nicaragua this year. When victory does in fact occur, it will have historic and political significance throughout the western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator. Finally, Ronald Reagan's actions will herald a new dynamic American policy of materially supporting freedom movements struggling to overthrow communist regimes.

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Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of the Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of support for the Freedom Fighters and the President's policy. Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody. The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

The National Endowment for the Preservation of Liberty is helping the President do just that.

Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as The Central American Freedom Program. The overriding goal of this program is to educate the American people and political elites about the nature of communism in Nicaragua and the threat to U.S. national security.

We have chosen television as the major vehicle we believe will be most successful in carrying our educational and informative messages to the public.

The Central American Freedom Program ~~was initiated by~~ ^{will require the} the National Endowment for the Preservation of Liberty to spend over one million, four hundred thousand dollars in the next ninety days. This means allocation of over one hundred thousand dollars every week for public education and information on the issue of Nicaragua. ^{longer time} A five million dollar program is planned in detail of the

^{will} If our program achieves its public awareness goals, it ^{will} become a useful model for similar activities by others in the future. Our program is truly unique. It has become the ^{date in} ^{Congress} ^{in Feb} ^{May.} pioneering effort in this area.

Central American Freedom Program

The National Endowment for the Preservation of Liberty has decided to focus its education program on seven issues. They are:

- 1) Nicaraguan communist persecution of its citizens;
- 2) Denial of religious and political rights;

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- 3) The creation of an aggressive armed Soviet satellite on the North American continent;
- 4) The creation of Cuban bases inside Nicaragua;
- 5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;
- 6) Support for revolution in El Salvador;
- 7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the points our programs want to make in the minds of Americans. We will also discuss other issues such as who the Freedom Fighters are. We will develop the images of the UNO leadership. We will graphically show the situation facing over three hundred thousand Nicaraguan refugees. And we will discuss the political and human rights goals of the freedom fighters themselves.

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Public Affairs Components of Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working subrosa in the United States. They have a combined budget of two million dollars and are concentrating on the districts of Congressmen who have opposed aid to the Freedom Fighters. They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans, as well as the planting of disinformation such as recent articles accusing the FDN of drug trafficking.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam. This ignorance and the isolationism it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

Objectives

With the Congressional debate heating up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have. We are in the last weeks of a national campaign to be decided by the American public. If the public stays apathetic Congress will defeat the President's democratic initiative. If we are successful, America will have had, debated and changed, and then debated and changed back, a policy that sounds the death knell of America's post-Vietnam feeling of impotency *and retreat from world responsibilities.*

To accomplish this we must address four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

The Congress - Through issues now associated with America's leadership role in supporting democracy in the region.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

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Program Elements

We propose to approach this program with the understanding that we are under considerable time constraints and are fighting for public support in areas widely dispersed across the United States. Therefore, we propose to treat this as a national political campaign, with March 15 as our target. Using the methodology of national political campaigns, we will seek to utilize our opponents negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions.

We will use advertising and public affairs programs for each of the four program objectives listed above. They will be handled as follows:

The Public - The public has been exposed recently to several negative images or impressions of the Sandinistas. We will use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We should employ the following techniques;

Television advertising - following research into the Congressional votes cast on the last aid package, we will produce materials that ~~will be used by Robert Goodman and Associates to focus on~~ -

- 1) Daniel Ortega's trip to Moscow and the \$220 million commitment he received from the Soviets *in hard lethal military support.*
- 2) The recent crackdown on human rights in Nicaragua *against the entire population of the nation.*
- 3) Ortega's purchase of \$3,500 in designer eyeglasses while his people starve.
- 4) The ^{communist} militarization of Nicaragua through Soviet and Cuban advisors and the use of Nicaragua as a command center for subversion of her democratic neighbors. *Lybain, Earl Gern*
- 5) The incident when Pope John II was spat upon and heckled when he tried to say Mass in Nicaragua *signalling an era of religious persecution*
- 6) That Cubans are now proved to be actively involved in combat.

Spokesman program - using the prototype speakers program begun by I.B.C., NEPL will place speakers in 50 markets between now and March 15, 1986. These speakers will be

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booked into a civic club or professional organization in a market and then scheduled for television, radio and newspaper interviews. The spokespeople come from the ranks of the UNO leadership and are capable of defending all UNO participants.

These speakers will focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers will be the southern and western states.

Battlefield Videotape - There are two battlefields in Nicaragua, one inside the principal cities and one in the countryside. We intend to provide major media outlets and local television stations with never-seen-before videotape from the field, including combat footage and evidence of Sandinista atrocities. We will also provide footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

- 1) ~~Robert Coombes and Associates~~ ^{An ad agency} will produce advertising for distribution in selected markets across the United States. *See many on 50*
- 2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S.. *Reports of usage will be daily*
- 3) ~~I.B.C. will coordinate~~ ^{A new} documentary on the face of communism in Nicaragua and the use of internal suppression. *This theme will be produced*
will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista oppression.

Congress - Given the compressed time frame, Congress will be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere. The primary effort will be centered in Congressional districts, but we should reinforce this effort with a public affairs program including:

- A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. Using recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults and Libyan, PLO and Iranian terrorists working in Nicaragua, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

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- B. Religious persecution of all faiths can be used to ~~generate public pressure on Congressmen~~. Jewish, Catholic and Protestant organization publications should be approached to interview defectors and religious figures who know the persecution firsthand. ~~I.B.C.~~ *will* be arranging a series of meetings with religious leaders and journalists. I.B.C. will also help to produce an article by a prominent American religious figure for paid distribution.

- Next*
- C. Another Cuba on the ~~mainland~~ *North American* is unacceptable to most Americans. If the issue is picked up by constituents it would be a strong message for Congress. ~~I.B.C.~~ *will* utilize these arguments in the speakers program they have begun. An American exiled Cuban ~~will be~~ *has been* commissioned to write an article for paid distribution throughout the U.S. A Cuban exile leader ~~will be~~ *has been* added to the spokesman program.

- D. Drugs and politics are a bad mix and the chance to have a single issue which no one can publicly disagree with is irresistible. We propose to ask that Don Johnson of "Miami Vice", or a strong anti-drug figure such as Rosie Greer, be given a briefing on the drug trafficking evidence the Administration has on the Sandinistas. That person would be asked to write an Op-Ed piece for national distribution through paid and direct placements. ~~None~~ *will* seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA. ~~None~~ *will* also cut a news spot for satellite distribution.

- E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere. ~~I.B.C.~~ *will* provide radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations. They could be commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they could hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

- F. The Revolution of 1979 has been betrayed by the Sandinistas. I.B.C. would produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Policymakers - We expect to reach this group primarily through the media we will be using for Congress. However, special briefings, either set up by I.B.C. or arranged through a grant to another organization, will be used to educate specific target audiences within this group. Briefings may feature drug

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enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership - I.B.C. will provide spokesmen training for the leadership and provide information feedback to reinforce that training. UNO figures will be provided with analyses that can help shape their public pronouncements. When possible, NEPL will incorporate the UNO leadership in events and briefings that will further their image of unity. I.B.C. will weave this theme of unity into all advertising, Op-Ed articles and paid distributions.

Conclusion - Without an opportunity to see the truth about the Sandinistas, the American public and its elected representatives will defeat democracy in Nicaragua. Through its public education program, NEPL will give the President a chance to free this continent of communism and strike a decisive blow for democracy.

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- and B-roll distribution

- speaking engagements
- editorial board meetings
- television interviews
- radio interviews
- newspaper interviews

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- newspaper interviews
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 organization leaders

\$ 80,500

\$ 10,500

\$ 7,000

\$ 98,000

~~5112,600~~
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4. Supplementary Services, including:

- postage
- telephone
- telex
- couriers
- translations (\$3,000 per month, for 8 months)

5. Administration/Coordination, including:

Professional staff time of

- 1 project coordinator
- 2 senior partners
- 1 senior staff writer
- 2 account executives
- 1 media coordinator

Verifications of placement

- clipping retrieval
- polling data assembling
- monitoring network feedback

Total

(\$10,000 for 8 months)

----- for 2 months

TOTAL BUDGET FOR 2 MONTHS

2 programs

\$527,000

Budget omits all T.V. which should range from 50,000 production 2 messages through 150,000 D.C. 500,000 - 1,000,000 around the country

minimum effective budget

5BC approx 406,000 through 7 weeks
media 1,000,000
NPR 250-400,000

IBC 306,000
polling DC media 150,000
media prod. 50,000
media network 500,000 + 1,000,000
IBC Tel. 100,000
NPR 2 admin 250,000 + 200,000

more \$1,356,000 or \$1,556,000

1 week
200 or
per week
on 21..

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Previous page \$198,110
100,000
15,000
34,000
Total \$354,000
347
15,000
20,000
discuss what each will have

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Strategic Defense Initiative

Introduction

President Reagan's Strategic Defense Initiative (SDI) is the most significant strategic development in the history of U.S.-Soviet relations since the acquisition of the atomic bomb by the Soviet Union. If allowed to be fully deployed it will greatly enhance America's security. As important, it will offer the super powers a dramatic opportunity to establish a lasting peace. The Congress, however, has been slow to realize the opportunity inherent in a fully funded on-time SDI. It has only provided about 60 percent of the President's funding request for SDI research and development in the past three years. Thus, the program at current funding levels will be consciously delayed and drawn out. Timing is important. The Soviets are determined to deploy their own program and are proceeding with an accelerated development of new offensive and defensive strategic systems while the United States lags.

~~New Issues~~*Soviet Fear of American Advancement*

The obvious enhancement of American defenses accomplished under the Reagan Administrations and the promise of a strategic defense program are primarily responsible for having brought the Soviets to the Geneva summit. ~~Plugging~~ *Plugging* in technology, economic vitality, and sophistication, and pressed to commit resources elsewhere, the Soviet Union fears the American SDI, because such a system and its foreign policy power implications will be able to neutralize the threat of the massive Soviet nuclear arsenal. The inability to maintain the credible destructive capability threat of that arsenal necessarily weakens the Soviet power/intimidation position vis-a-vis the United States and with regard to the rest of the world.

It is a common thread of Soviet foreign policy to threaten to rain down awesome nuclear destruction on nations the Soviets wish to influence through naked nuclear intimidation. Every Soviet leader raises the threat. Gorbachev used it just last month in a letter to the greater London City Council. This is of special and important relevance to Soviet relations with China, Western Europe, Cuba, and Japan. ~~A~~ *A* fully deployed Strategic Defense will confront the Soviets with a new reality, one which will require a more credible and necessarily more peaceful behavior in the world arena *for decades to come.*

type of naked threat

The Soviet Union failed to win concessions on SDI in Geneva. But it expended tens of millions of dollars in the months leading up to Geneva in attempting to ~~shape~~ *shape* European and American public opinion against SDI. So ~~is~~ *is* SDI's failure to Soviet strategy that the Russians have continued to use their vast

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resources in a propaganda and disinformation struggle against the Reagan Administration's proposed system. Although other reasons have been given, the Soviet delay until September of the proposed June summit in the United States is designed to give the Russians more time for their efforts to weaken the President's SDI. Also, they may attempt to make it an election issue this fall.

Wash
The Soviet Campaign to Capture American Public Support

Make no mistake about it. The Soviets genuinely fear a *completed* American Strategic Defense. But that fear does not concern their territorial safety. Rather, that fear concerns their continued ability to use the threat of nuclear annihilation to intimidate and blackmail other nations into submission or admission of Soviet supremacy.

With dramatic full-page advertisements in major newspapers, scores of television interviews, books, articles, front organizations and genuine governmental propaganda efforts, the Soviets are spending millions of dollars to prevent SDI from going forward as the President desires. Never have the Soviets wanted so desperately to block an American defense program. They understand well the power of American public opinion on government policy.

Although recent surveys indicate that Americans favor a workable alternative to mutual assured destruction (MAD), anti-nuclear interest groups have largely framed the SDI debate and succeeded in distorting public perceptions of what has lamentably become well known as "star wars". Here the *impetus* is on war to the delight of the Soviets.

The Soviets are bolstered in their efforts by those in America who oppose SDI. ~~presenting~~ *the opposition uses* seven key arguments:

- SDI* will never work;
- ~~it~~ means the militarization of outer space;
- ~~it~~ escalates the arms race;
- ~~it~~ research could go on indefinitely;
- ~~it~~ costs too much;
- ~~it~~ is nuclear;
- ~~it~~ violates the SALT II agreements.

These arguments, combined with public and legislative concern about balancing the budget, resulted in Congressional funding of only 60 percent of what the President requested for the first stages of SDI research and development. The Spring legislative calendar will provide a window to secure full funding for the President's package and bring the program's timetable up to date. We must use this window of opportunity *to strengthen America's security.*

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Objectives

Given the high moral imperative of Strategic Defense for our long term security and possible peace, the National Endowment for the Preservation of Liberty believes that the current program for Strategic Defense must be realized. The sooner the better. To help educate and inform Americans about the nature of the Strategic Defense concept, the Endowment is conducting a multi-faceted public education and information program using a combination of media and press activities in order to:

- 1) reveal and counter Soviet disinformation and other untruthful information;
- 2) educate the public about the true significance and role of SDI to America's military and alliance security;
- 3) measure, describe and publicize public attitudes on the SDI;
- 4) study and report the impact of the public's views on SDI in selected areas around the country.

Program

NEPL will begin its program on March 15 and continue it through October of this year. In this manner, the program can fully operate during the framing of the debate in the primary election cycle in the Spring. Its timing will maximize its educational possibilities. At the same time, it will bring public attitudes to bear on the center of the debate, the U.S. Congress. The program will include the following activities:

Presidential Message - A short video-taped statement by the President which can be shown to organizations around the country, as well as to participating groups in the program. It's effectiveness will depend on the use of the President's considerable communication skills to set out the significance and importance of SDI to the world and the next generation. (Gratis except for production)

Television Education - Fifteen and thirty second television messages placed in carefully selected markets during critical stages in the program and in the public debate. This educational activity, proven so successful in other issue debates in the past, will be the heart of the program. (\$800,000.00)

Newspaper Information - Full page messages (several thousand words in the New York Times, the Washington Post, USA Today and in at least 20 major newspapers in key markets across the country. These will lay out aspects of SDI in detail. (\$283,000.00)

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- message
- copywrite analysis
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Bringing
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conference -
get right
approved
- prepare briefing
book on Soviet SDI
American SDI + Bor

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Talk Shows/Interviews - Promotion of appearances by SDI experts on national and local television public affairs programs, talk shows and interview programs where discussion of SDI will take place. (\$60,000.00)

Op-Ed Articles - Writing and placement of Op-Ed articles in national, regional and local newspapers. The educational articles will be both ghost-written for the signature of notable public figures, and will be written by some of the figures themselves. (\$10,000.00)

Television/Video Program - Production of a 10-15 minute video feature summarizing the key issues surrounding the SDI debate and stating clearly the consequences of a fully-funded SDI for America's increased security and the cause of a just peace. (\$100,000.00)

Coalition Building - The National Endowment for the Preservation of Liberty is convinced that the SDI is a highly significant crucially important program which all Americans have a moral and patriotic obligation to understand and judge. Therefore, NEPL will aggressively increase the possible impact of its program by making its information available to as many individuals and groups as possible. Support of the President must be broad based.

BE to kid on
 - Talk show 40,000
 - Movie 130,000

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Personal require.

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BUDGET - SDI PROGRAM

I.B.C. monthly fee (~~\$12,000~~ ^{7,000} x 10 months) ^{8 Begin} ^{5 months} ^{56,000} ^{96,000} \$ ~~122,000~~

I.B.C. Overhead - 20%

24,400 ~~24,400~~

Production of TV Spots

Media Buys - Placement of Spots

Newspaper Ads - One time only

New York Times

40,000

Washington Post

750,000

USA Today

30,000

Approximately 20 local markets @ \$10,000

28,000

TV Program - Production

25,000

Honoraria for Op-Ed Articles

200,000

(5 articles at \$2,500)

100,000

Total \$1,319,400

- need per week 180,000 three summer
- in full per week 70,000

USC 410,000

TV 1,320,000

Natl 250,000

1,980,000

including Summit

TV 160,000

Natl 30,000

2,170,000

including Senate

500,000

Natl 100,000

2,270,000

April

T.V. Nation

April 500,000

May 500,000

TV District

April 160,000

May 160,000

Natl adms

1,360,000

250,000

T. 100,000

2,270,000

2,270,000

243,000 + monthly fee
minim overhead
Sept 250,000
Oct 250,000
September
June Summit
160,000
+ Summit
160,000
30,000
160,000

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THE FUTURE OF FREEDOM FORUMS

The SELECT 500 of the American Conservative Trust and other corroborating large opinion surveys indicate strong support among Republicans for Vice President Bush as a candidate for President in 1988. The overriding component of his popularity is his admirable service in the course of Ronald Reagan. However powerful and well-funded activists have yet to be heard from. George Bush is currently very unpopular among many of these individuals. To write off or underestimate the energy and motivation of these people is to court disaster in the primaries. Many of these highly charged individuals love a gut fight and would rather be right than victorious. Such a mentality could ruin the long term impact of Ronald Reagan's achievements.

The Vice President needs a vehicle which he can utilize to reach the high dollar donors in the conservative ranks. These donors perceive him as a liberal Republican unsure of himself and without determination to lead in tough circumstances. These donors know too little of the Vice President's record, beliefs and policies. The Vice President's opposition is going to make as much headway as possible by playing on such misinformation and ignorance. He needs to reach them in order to head off major support for his opposition. He also has to correct lingering misgivings these people have about his resolve on foreign policy and other issues crucial to activist conservative issues. In articulating a strong foreign policy and reinforcing the domestic issues as needed, he can nullify the negative perceptions many of these people maintain. He must communicate in such a way that these people leave their time with him confident in his foreign policy expertise and mindful that past perceptions about his politics have been wrong.

We recommend that we seek to hold at least one dinner meeting per month commencing in late January 1986. For each event we could invite 30 to 50 of the "SELECT 500" contributors and others. The Vice President could be requested to speak on a particular issue such as Central America or Arms Control (See attached focus elements) as the focus element of the program. However, he might use these opportunities to extrapolate on all the issues he felt would be received well by this unique audience. This will require a carefully scripted event, using a practiced speech with several interchangeable elements and well prepared answers to follow-up questions.

WHY "The Future of Freedom Forums"-

Without some form of ongoing program, this will be viewed as an attempt to use the foundation to further George Bush's campaign strategy. We must be conscious of the need to preserve the Foundation's independence of action, nonpartisan focus and not

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to confuse a program to develop a truly American foreign and monetary policy with an total embrace of the Vice President's candidacy.

PURPOSE-

The conservative political leaders to be effective in 1988, must move now to shape foreign and monetary policy before the campaign shapes it for them. With a thorough program designed to develop the policies that will govern us into the next four to eight years, we can be assured that the historic gains made by President Reagan from 1980 to 1988 are not just held, but strengthened and fulfilled.

MECHANISM -

We recommend that we host small meetings of invited senior high dollar activist contributors, such as Patty Beck, Bunker Hunt, Leon Hess, Sandra di Portinova using either the American Conservative Trust's senior contributor list, names supplied by the Vice President's organization or a combination of both. These gatherings would be events of the "FUTURE OF FREEDOM FORUMS." Each potential participant would be told that he has an opportunity to hear and speak directly with the Vice President on foreign policy. They would be encouraged to attend to help perpetuate the Reagan accomplishments and agenda after 1988. They would be told that this meeting is part of a nonpartisan series to establish policy goals for the next President of the United States. Their help and direction would be greatly appreciated and is vital to preserve the gains made beginning with Ronald Reagan's first term.

We recommend that we meet and discuss a schedule at the earliest possible moment with the Fund staff.

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Budget
 - To DBC - arrangement for VP + staff
 - ~~managing~~ 7,000 per inv.

- To Quadrum 200,000 per year
 plus production of 50 tapes on bus
 - Staff + VP expenses 100,000

Net to have in account 1,000,000

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We recommend the following focus elements:

Central America

This region is growing as an issue for Americans. Unfortunately the political leadership in this country has not faced up to the reality that we are face-to-face with a Soviet client state on our mainland. With the exception of president Reagan, American politicians have not lead the way to ridding the continent of this threat.

The Strategic Defense Initiative

The concept of a united free world is worth protecting. And a defense strategy that protects the free world without killing people is worth protecting through its infant stage. No one in their right mind wants the U.S. to fund a program of lasers or other high-tech space defense systems if it can not work. But, we must not let pass an opportunity to make it work, nor the prospects that such success would hold for the children of the free world.

Soviet Expansionism

The Soviets occupy more countries throughout the world than any other nation. Including those nations subjugated in Eastern Europe we have a frightening picture. But there are signs of stress and fatigue in the "Iron Curtain." We, the democratic world, must find every way possible to assure that the next generation of Russians are more aware of the world as it really is rather than the world according to TASS.

Democratic Elections

Democratic elections are well overdue in the Phillipines and would seem to be a success in Guatemala. Countries that are voting democracies deserve all the help America can lend. We should serve to strengthen our commitment to Democracy through our foreign aid program and trade policies.

Free Press

The right of democratic people to hear the truth is paramount. Any country that abridges freedom of the press should be reminded that our help is given first to those that adhere to all democratic principles and not just the few a government finds useful. We should actively support efforts to put third world nations in touch with space age information technology.

Terrorism

Terror as a weapon in nationalistic and international communist movements must be stopped cold. Those who use terror to intimidate democratic nations should pay a high and swift price for their actions. The President and the executive branch should begin an effort to coordinate with our allies to stamp out terrorist cells regardless if they have acted in proven efforts or not. We should support military operations that answer terrorists. We have much to

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contribute to such actions and any American would be proud to say his nation had helped to crush terrorism.

South Africa

This administration attempts to pit democracy against racism in a test of our ability to change governments without removing them. In the world there will always be moral issues that we can not change, this is not one of them. If we can continue to restrict our involvement with the South African government while seeking to up lift the South African people, we will achieve change. As a belligerent outsider we can hope to accomplish nothing.

Middle-east politics

We did not stand behind Israel in her three wars for independence to give her up now. She is the symbol and hope of an entire people. As the parties to a peace settlement move closer together, we must be prepared to use all our national resolve to force them to succeed. If we must put peace above friendship, the world will be the greater loser. Any peace must be inclusive and permanent.

The Third World

The Soviets have succeeded in installing far too many Marxist governments in areas where they provide no humanitarian assistance at all. We must start putting a price on our help...democratization. If we are to lead the world to a freer existence then we must free those that suffer from abject poverty as we work. But, the governments of these people must understand that support for democratic government and the economic freedoms that entails are the surest road to our help.

United Nations

The UN is a good forum for our views, but it has become the Soviet's favorite weapon to embarrass us. Amb. Kirkpatrick showed the world that such a body would not be taken lightly by the US any longer. We must use the UN as a forum to challenge tyranny and to remind those that seek our help in private and scorn us in public, that there is a price for such action.

Nuclear Buildup

The Reagan Administration is proud that it created a nuclear arsenal that is second to none. Afterall, to be second to a nation that has invaded its neighbors and projected military might into conflicts on other continents would be foolish. The responsible leadership of this nation knows that we must reduce the world's nuclear arsenals but not at the price of aggression by the Soviets. Whatever we agree to with the Soviet Union must be fully verifiable and aimed at the total elimination of nuclear weapons.

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UNCLASSIFIEDInternational Environment

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The United States has been a leader on international environmental issues. While our government never seems to move fast enough for the environmental activists, we move well ahead of others on this issue. Our ban on whaling is complete and we have instituted a 200 mile limit for fishing to avoid the overfishing so common to the Asian basin.

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NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

TERRORISM: A U.S. RESPONSE

INTRODUCTION

Terrorism is the scourge of civilized nations--and it is growing more prevalent. There were an estimated 3,000 documented terrorist incidents throughout the world in 1985, of which about one-third were directed at business and industry. Western democratic nations, where many of the terrorist incidents occur, appear powerless to contain it--much less to bring it to an end.

To increasing degrees, terrorism prevents the freedom of movement, inhibits tourism, discourages investment and harms free trade. The very liberty the United States cherishes is threatened.

ISSUE

Except for sporadic actions carried out by Israel, the use of terror to achieve political ends appears to go on virtually unchecked. In Great Britain, following the killing by Libyan agents of a policewoman on the streets of London, diplomatic relations were broken with Libya. But trade was unaffected. More recently, Italy and Germany have been reluctant to impose any sanctions on Libya, the assumed lair or sponsor of terrorists, because of dependence on Libyan oil and to protect the current volume of trade.

What is emerging, it is clear, is the supplanting of diplomacy by terrorism as a key determiner of actions of states. When England, Italy, France and Germany fail to take action, when Yugoslavia gives refuge to the mastermind of the Achille Lauro hijacking, they invite further actions. And lesser states are cowed into silence and inaction.

The United States has placed counter-terrorism among its foreign policy priorities every year for nearly a decade (the State Department's counter-terrorism office was established in 1977). But beyond solemn pronouncements and routine condemnations, we have done little to counter this scourge.

Numerous arguments are often cited as reasons for not taking consistent, direct action:

- we have no international support
- we are not the world's policemen
- it would engender retaliation and continue the cycle
- it makes us as bad as the terrorists
- we don't know precisely who and where the terrorists are
- counter-terrorism does not address the "root causes"

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--we lack the resources to be effective.

Such arguments pale in the face of dictator Khaddafi's recent threat to bring terrorism to mainstreet USA. The tragic destruction of an international airline flight en route from Canada to England shows how easily it can be done. A large bomb in the U.S. Capitol only a few months ago shows just how vulnerable we are. Fidel Castro uses international narcotics trafficking as a means to finance his terror network.

Today there are as many as six million illegal aliens in the United States. Our borders and our airports are porous. As a free, open society, we are more vulnerable than most. Yet, we see the beginning of restrictions on our liberties when the White House, the U.S. Capitol, the Department of State and other key buildings resemble armed fortresses.

Unfortunately, too many policy-makers believe that all we have to do is hire more guards, build more barricades and use more metal detectors. When innocent children are struck down in airports, no one can be safe. The solution is not to convert our public places and institutions into fortresses. The solution is to counter terrorism in a concerted, direct and cohesive fashion at the international level. To do so, however, we must begin at home by developing a national policy consensus for action.

OBJECTIVES

The National Endowment for the Preservation of Liberty is undertaking production of a television program on terrorism as it exists today. Its objective is to produce resolute, firm action on the part of the U.S., leading to international agreements and cooperation. Specifically, NEPL seeks to obtain:

- a Presidential declaration of national resolve;
- a broad consensus for a new national policy;
- a Congressional resolution empowering the Administration to pursue international objectives;
- an international conference bringing together other key Western democracies;
- international agreement on joint actions; concerted sanctions; and assistance to allies suffering economic hardship because of the sanctions;
- a firm, binding multilateral treaty.

Given these objectives, NEPL's nationwide campaign is designed to educate the public on the issues and demonstrate that solutions are within reach. It will motivate leaders to act; and indicate the appropriate course of action to achieve established goals.

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SECTION 5

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Washington D.C. 20006

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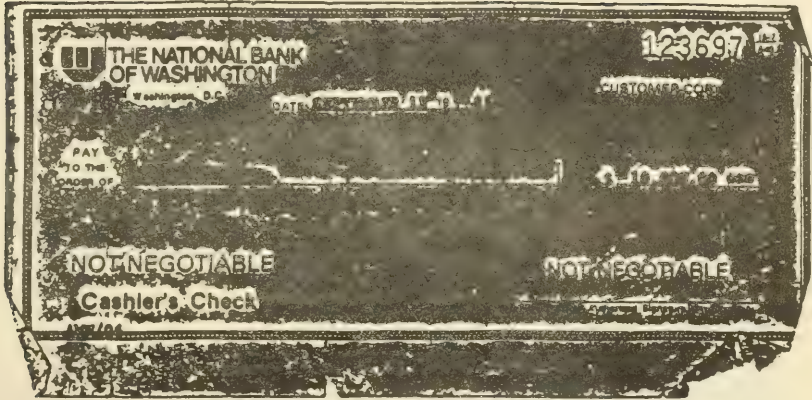
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NAME International Business CommunicationsADDRESS 1523 New Hampshire Avenue, N.W. #200, Washington, D.C. 20036ACCOUNT # 1230-670TELEPHONE # (202) 387-3002

WIRE TO:

BANK Barclay's Bank - Grand Cayman Branch P.L.C. AMOUNT \$100,000.00CITY, STATE, COUNTRY Georgetown, Grand Cayman IslandsBENEFICIARY I.C. Inc.BENEFICIARY'S ACCOUNT # 1888659BY ORDER OF Jeffrey M. Keffer

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THE NATIONAL BANK
OF WASHINGTON

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 ADDRESS 1523 NEW HAMPSHIRE AVENUE, N.W., WASHINGTON, D.C. 20036
 ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

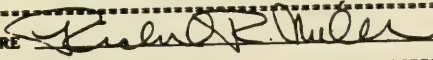
WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT \$250,000.00
 CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.
 BENEFICIARY I.C. INC.
 BENEFICIARY'S ACCOUNT # 1888659
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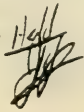
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ACCOUNT CREDITED _____
 ACCOUNT DEBITED 1230670
 FEE COLLECTED 8.00
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 AUTH. SIG. [Signature]

WHITE - WIRE TRANSFER DEPT.
 CANARY - CUSTOMER COPY
 PINK - BRANCH COPY



UNCLASSIFIED

FW 102

THE NATIONAL BANK
OF WASHINGTON

0961-6

UNCLASSIFIED

WIRE TRANSFER FORM

DATE 11-8-85

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS
 ADDRESS 1523 NEW HAMPSHIRE AVE. NW, WASHINGTON, D.C. 20036
 ACCOUNT # 1230670 TELEPHONE (202) 387-3002

WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT 40,000.00
 CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.
 BENEFICIARY I.C. INC.
 BENEFICIARY'S ACCOUNT 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR. HANCOCKDAVIDS OF CAYMAN CORPORATION SECURITIES LTD (869) 949-5444

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT

ACCOUNT DEBITED

AUTH. SIG.

FEE COLLECTED

DWC

WHITE-WIRE TRANSFER DEPT.
 CANARY-CUSTOMER COPY
 PINK-BRANCH COPY

UNCLASSIFIED

R M 000073

GOING
NOV 08 1985

UNCLASSIFIED

R M 000079

PAGE 12618

sent to :

CHASUS33

chase manhattan bank, n.a.
new york, ny

ALK/1550/091NBWUS PAYXX 20459

100 01

date: 08 nov 85 time: 15.50 customer trn ***inpsent***

:120 /trn : RS11080409
 :120A/value : 08 nov 1985
 : currency cod : USD
 : amount : 40,000.00
 :140 /ord customer : INTL BUSINESS COMMUNICATIONS
 :140A/ord with bk : BAHAMAS BANK PLC
 : GEORGETOWN GRAND CAYMAN
 : ISLANDS, B.W.I.
 :140 /ben customer : /1899650
 : I.C. INC
 :170 /charges : BEN
 :170 /bk to bk int : /CABLE/ PLS NOTIFY MR MALCOLM
 : DAVIES OF LAYHAVEN CORP SERVICES
 : LTD (P.O.) 949-5444

THE NATIONAL BANK OF WASHINGTON
 WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
 SUBJECT TO CONDITIONS STATED BELOW

DATE
11/08/85ACCOUNT NO
1 230 67 0DESCRIPTION
DEBIT/OUTGOING BANKWIRE
(REF:) (BSW 0659)

INTERNATIONAL BUSINESS COMMUNICATIO
 1607 NEW HAMPSHIRE AVE NW STE 300
 WASHINGTON DC. 20009

\$40,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS
 OF THE DEPOSITOR'S AGREEMENT AS PRINTED ON THE SIGNATURE
 CARDS CURRENTLY USED BY THIS BANK

UNCLASSIFIED

THE NATIONAL
OF WASHINGTON

UNCLASSIFIED

095691

ACCOUNT NO.

WIRE TRANSFER FORM

DATE

5/16/65

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONSADDRESS 523 NEW HAMPSHIRE AV. N.W. WASHINGTON D.C.ACCOUNT 1230670TELEPHONE (202) 382-3002

WIRE TO:

BANK CREDIT SWISS BANK, EMB. VILLE, BERNE AMOUNT \$300,000.00CITY, STATE, COUNTRY GENEVA, SWITZERLANDBENEFICIARY LAKE RESOURCES INC.BENEFICIARY'S ACCOUNT 386430-22-1

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS TX-22905 CS61-CH

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT

ACCOUNT DEBITED

AUTH. SIG

FEE COLLECTED

DWC

WHITE - WIRE TRANSFER DEPT.
CANARY - CUSTOMER COPY
PINK - BRANCH COPY

UNCLASSIFIED

PM 002

R H 0000 J

UNCLASSIFIED

WIRE TRANSFER FORM

OUTGOING

DEC 18 1985

DEB CUSTOMER

PAGE 11574

sent to

UBSWCHZH

union bank of switzerland
zurich

ACK/1514/16TNBMUS33AXXX21553

100-01

date: 16 dec 85 time: 15.14

customer tfr

urgent

120 /trn : 8512160791PL
 132A/value : 16 dec 1985
 currency cod : USD
 amount : 300.000.00
 150 /ord customer : SAME
 152A/ordering bk : TNBMUS33

national bank of washington, the
 washington, d c

157D/a/c with bk : CREDIT SWISS BK
 171A/charges : Eaux Vives Branch
 172 /bk to bk inf : GENEVA SWITZERLAND
 -AUT/2245 : /C/ 386430 22
 LAKE RESOURCES, INC

BEN
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ACCEPTED/CONFIRMED

BRANCH DEPT

AUTH SIGN

UNCLASSIFIED

R M 000061

THE NATIONAL BANK
OF WASHINGTON

UNCLASSIFIED

095695

WIRE TRANSFER FORM

DATE: 1/18/86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS
 ADDRESS 1523 NEW HAMPSHIRE AV. N.W. WASHINGTON, D.C. 20036
 ACCOUNT 1280670 TELEPHONE (202) 387-3002

WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT \$360,000
 CITY, STATE, COUNTRY GEORGETOWN, GEORGIA, B.W.I.
 BENEFICIARY T.C. INC.
 BENEFICIARY'S ACCOUNT 1888659
 BY ORDER OF _____

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY Mr MALCOLM DAVIES OF CAY HAVEN CORPORATION SERVICES, LTD (800) 949-5444

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCOUNT CREDITED _____
 ACCOUNT DEBITED 1-230-67-0
 FEE COLLECTED \$18.00
 DWK _____

ACCEPTED/CONFIRMED

BRANCH/DEPT. Support Unit
 AUTH. SIG. [Signature]

WHITE—WIRE TRANSFER DEPT.
 CANARY—CUSTOMER COPY
 PINK—BRANCH COPY

UNCLASSIFIED

R M 00005

THE NATIONAL BANK
OF WASHINGTON

WIRE TRANSFER FORM

No 77016

UNCLASSIFIED

DATE 11-3-56

TO BE COMPLETED BY CUSTOMER

NAME INTERNATIONAL BUSINESS COMMUNICATIONS
ADDRESS 1912 SUNDOWN DRIVE, SUITE 200, D.C. 20036
ACCOUNT 1-087-002 TELEPHONE 202-59-6550

WIRE TO:

BANK

AMOUNT \$10,000.00CITY, STATE, COUNTRY NEW YORK, NEW YORK

BENEFICIARY

BENEFICIARY'S ACCOUNT

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS FOR WIRE TO \$10,000.00

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT

ACCOUNT DEBITED

AUTH. SIGNATURE

FEE COLLECTED

\$ 00

DWC

WHITE—WIRE TRANSFER DEPT.
CANARY—CUSTOMER COPY
PINK—BRANCH COPY

R M 000123

FW 002

**THE NATIONAL BANK
OF WASHINGTON**

096012

UNCLASSIFIED

WIRE TRANSFER FORM

R 1: 5: 84
DATE: 5/13/86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS
ADDRESS 1912 SUNDERLAND PLACE, N.W., WASHINGTON, DC 20036
ACCOUNT # 1-087-00-2 TELEPHONE # (202) 1387-3002

WIRE TO:

BANK BARCLAY'S BANK PLC. ONE MILLION, TWO HUNDRED & FIFTY THOUSAND
CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.
BENEFICIARY INTEL CO-OPERATION INC.
BENEFICIARY'S ACCOUNT # 1888659
AMOUNT \$1,250,000.00

BY ORDER OF _____

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR DAVID
PIESING - 809/949-5444

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE [Signature]

FOR BANK USE

ACCOUNT CREDITED _____
ACCOUNT DEBITED _____
FEE COLLECTED _____
DWC _____

ACCEPTED/CONFIRMED

BRANCH/DEPT Support - 96
AUTH. SIG. [Signature]

WHITE - WIRE TRANSFER DEPT.
CANARY - CUSTOMER COPY
PINK - BRANCH COPY

UNCLASSIFIED

INTERNATIONAL BANK OF WASHINGTON
 WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
 SUBJECT TO CONDITIONS STATED BELOW

DATE
 05/13/96

ACCOUNT NO
 1 087 00 2

DESCRIPTION
 DEBIT/FEDERAL RESERVE WIRE
 (REF:) (F 0013)

UNCLASSIFIED

INTERNATIONAL BUSINESS COMMUNICATIONS
 1912 SUNDERLAND PL NW
 WASHINGTON DC. 20036

\$1,250,000.00**

R M 000085

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS
 OF THE DEPOSITOR'S AGREEMENT AS PRINTED ON THE SIGNATURE
 CARDS CURRENTLY USED BY THIS BANK

FT011U

FT OUTGOING MSG

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054000072

0013 \$1,250,000.00

NATL BK WASH

/ORG=INTL BUSINESS COMMUNICATIONS

BARCLAYS PLC

/CTR/IBK-BNF-INTEL CO OPERATION INC//ACCT 1888659//PLEASE

NOTIFY MR DAVID PIESING - 809/949-5444

UNCLASSIFIED

0513 E1Q15A2V

13 05131220 FT81 E1NBWC

**THE NATIONAL BANK
OF WASHINGTON**

095699

UNCLASSIFIED

WIRE TRANSFER FORM

R M 000086

DATE: 4/9/86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS
 ADDRESS 1912 SUNDRLAND PLACE, N.W., WASHINGTON, D.C. 20036
 ACCOUNT # 1087002 TELEPHONE # (202) 387-3002

WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT \$740,000.00
 CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.
 BENEFICIARY I. C. INC.
 BENEFICIARY'S ACCOUNT # 1888659
 BY ORDER OF _____
 INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR. MALCOLM DAVIES OF CAYHAVEN CORPORATE SERVICES, LTD

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCOUNT CREDITED _____
 ACCOUNT DEBITED 1-087002
 FEE COLLECTED F⁰⁰
 DWC _____

ACCEPTED/CONFIRMED

BRANCH/DEPT DUPONT-06
 AUTH. SIG. [Signature]
4/9/86

WHITE-WIRE TRANSFER DEPT.
 CANARY-CUSTOMER COPY
 PINK-BRANCH COPY

UNCLASSIFIED

FW 002

1087002 ✓

UNCLASSIFIED

OUTGOING

APR 09 1986

PAGE 19450

R M 000087

sent to :

CHASUS33ITS

3629

chase manhattan bank, n.a.
new york, ny
(international transfer system)

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ACK/1447/09TNBWUS33AXXX24293

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date: 09 apr 86	time: 14.47	customer tfr	***urgent***
120 /trn	: 860409012		
132A/value	: 09 apr 1986		
currency cod	: USD		
amount	: 740,000.00		
150 /ord customer	: INTL BUSINESS COMMUNICATIONS		
152A/ordering bk	: TNBWUS33		
	: national bank of washington, the		
	: washington, d c		
157D/a/c with bk	: BARCLAYS BANK PLC		
	: GEORGETOWN GRAND CAYMAN		
	: ISLAND, B.W.I.		
159 /ben customer	: /1888639		
	: I.C. INC.		
171A/charges	: BEN		
172 /bk to bk inf	: /CABLE/PLEASE NOTIFY MR. MALCOLM		
	: DAVIES OF CAYHAVEN CORPORATE		
	: SERVICES, LTD.		

-AUT/FB49

UNCLASSIFIED

UNCLASSIFIED

R M 000089

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

DATE
04/09/86

ACCOUNT NO
1 087 00 2

DESCRIPTION
DEBIT/OUTGOING BANKWIRE
(REF:) (BSW 4293)

INTERNATIONAL BUSINESS COMMUNICATIO
1912 SUNDERLAND PL NW
WASHINGTON DC. 20036

\$740,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS
OF THE DEPOSITOR'S AGREEMENT AS PRINTED ON THE SIGNATURE
CARDS CURRENTLY USED BY THIS BANK

UNCLASSIFIED

UNCLASSIFIED

B M 000003

You are familiar with our efforts in connection with the CAFP. In addition, the funds NEPL provided for humanitarian assistance have been applied to particularly worthy purposes. For example, your generosity has saved the arm of a little girl who was shot by the Sandinistas and paid for the reconstructive surgery in the United States that repaired the faces and limbs of young freedom fighters. You have also supported some of the best scholarly work by Nicaraguans and helped to support education efforts by exiles who wanted to bring their story to America.

4-163

Adolfo Calero has personally thanked you and me and has written to you thanking you for the help we provided to the Nicaraguan Development Council. Another major recipient is the Unified Nicaraguan Opposition (UNO), the political umbrella organization of the Nicaraguan Democratic Resistance. As your representative we have heard from other officials of the movement, and they have gratefully acknowledged the direct assistance we sent on to them.

IBC also distributed funds through Intel Co-operation Inc. to several organizations exempt from American taxation under section 501(c)(3) of the Internal Revenue Code. They are:

Gulf and Caribbean Foundation

Friends for the Americas

Nicaraguan Development Council

Latin American Strategic Studies Institute

Institute on Terrorism and Subnational Conflict

All of these recipients have pledged that their donations were used solely for humanitarian purposes and, given the nature of their organizations, we are confident that such is the case, since it is consistent with their programs in the region.

Some of the funds, as shown in the attached materials, were deposited to the account of Lake Resources, Inc., at Credit Swiss Bank in Geneva at the request of Lt. Col. Oliver L. North. At the present time we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance.

If you have any questions about this report, we would be happy to discuss them with you.

UNCLASSIFIED

CHAPTER 5. NSC STAFF INVOLVEMENT IN CRIMINAL
INVESTIGATIONS AND PROSECUTIONS

class

note 2

5-2

N 30038

MEMORANDUM TO FILE

February 12, 1987

FROM: BRIAN M. BRUH

SUBJECT: Iran/Contra Matter

UNCLASSIFIED

Partially Declassified; processed on 1/20/88
 under provision of E.O. 12958
 by B. Rogers, National Security Council

On February 11, 1987, I went to the office of U.S. Customs Service which was previously arranged with their General Counsel, Michael Schmitz in order to interview William von Raab, Commissioner, U.S. Customs. Betty Anderson telephoned me earlier in the morning to say that they had scheduled a conference and she would call me when he was available to speak with me. Later in the morning I received a telephone call from Betty Anderson who told me that the Commissioner was available to speak to me. I went over to their office and there was a conference call with the Commissioner. Present were Betty Anderson, Michael Schmitz, and William Rosenblatt of U.S. Customs. I told Commissioner Von Raab both my name and the fact that I was an investigator with the President's Special Review Board. He said he would be happy to cooperate.

Von Raab said that in August 1986 he was over at the White House, in Carlton Turner's office, when Ollie North, who he had known, approached him and asked to speak to him privately. He said that he learned that North had called his office and learned that he, Von Raab, was over in Turner's office. North told him "Our guys (U.S. Customs) were giving this man Maule, or company named Maule, a hard time."

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North said that Maule had shipped airplanes like "piper cubs" down south. He said that Maule was "a close friend of the President."

The Commissioner said that he never discussed the matter with North after that or to his recollection with anyone else in the National Security Council. He told North he would look into it. North did not tell him that the matter was a national security issue and he, Von Raab, regarded it as a typical request that he gets from a Congressman where the Congressman writes that somebody is treating his constituent unnecessarily rough. Von Raab said that sometime after the meeting with North, perhaps even a week later, (he doesn't recall that he made a special effort to contact Rosenblatt immediately), he spoke with him and told him of North's concern. He asked Rosenblatt to give North a call.

Von Raab then recalls that the next time he had a conversation with Rosenblatt was at his farm sometime later. At the Commissioner's farm he said that Rosenblatt approached him and told him that North had complained also about a customs investigation into Southern Air Transport. He further said that Rosenblatt said that North expressed a concern that the agents were "excessive in their zeal". He said that Rosenblatt had told him that the case had acquired characteristics that made him, (Rosenblatt) nervous, and that was the hostage issue. Rosenblatt had said that it was no longer just a matter involving a typical investigation or how to conduct an investigation in a proper way but it involved national security issues. Von Raab he said that their position had been to continue conducting the investigations.

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UNCLASSIFIED

W 36040

When asked if he ever received any other requests from anyone in the National Security Council regarding arms or weapons systems or munitions going south, Von Robb answered "yes" one other time. Von Robb said a few months before the Maule conversation he had with North he received a telephone call from Jack Singlaub whom he only knew from television. Singlaub said that U.S. Customs had stopped a helicopter from being shipped [REDACTED]. The helicopter had a name which U.S. Customs uses to refer to the investigation as LADY ELLEN. Von Robb said that the helicopter was named after the lady who donated the helicopter. Von Robb said that Jack Singlaub did not represent himself as a government person but rather as someone who is representing a private organization. Singlaub had recommended that Von Robb call Colonel North.

Von Robb said that Singlaub did not ask that anything improper be done, he merely inquired why the helicopter was being held up and when he found out it was due to a license he indicated that he would get such a license. He, Singlaub, recommended that the Commissioner call LtCol North in case he had any concerns. Von Robb said he called North which to the best of his recollection was the first contact he ever had with him. North indicated that the individuals involved "good guys." However they are shipping a helicopter that is not worth sending to them. The Commissioner said subsequently the paperwork, meaning the license from the State Department, was issued.

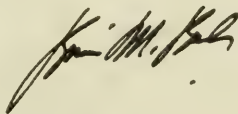
UNCLASSIFIED

UNCLASSIFIED

H 36C41

When asked if he received any other calls with regard to this helicopter the Commissioner said that he recollects that he got a call "from a Senate staffer." The staffer asked the reason why the U.S. Customs held up the helicopter. The Commissioner said that he does not remember who the Senate staffer was and said that his secretary keeps no record of his calls more than just for a day. He was no further help in trying to identify the Senate staffer and said that there was no other information with regard to weapons or munitions going to Central America.

Betty Anderson and Mike Schmitz said that they were present with the Commissioner when he was interviewed by two FBI agents from the Office of Independent Counsel and he related this story about the LADY ELLEN investigation to the FBI agents except for one detail and that is he had not said before that a Senate staffer had called him. They doubt, therefore, that such a call was made. They indicated that they thought that Commissioner Von Raab's memory may be faulty in this area.



UNCLASSIFIED

Cv

attache 4

5-4

UNCLASSIFIED

27 Aug 81 2369

B. H. Rosabett - Customer

- DOT drewed CB & film
- Second involved
- DOT asked Customer to look into this
- Agent preparing to subpoena Waikiki records
- If this is for a "right organization"
- 2 to 4 have already gone
- Joe Test / Justice
- U.S. Attorney in on this
- Need doc on who airplane went to and what was on them
- Foreign Forests Control.

Partial Declassification based on 1/10/89
 under provision of E.O. 12958
 National Security Council

UNCLASSIFIED

4328

5-12

UNCLASSIFIED

☐ BU Rosulet

- Joe Ladue - HU Male
- Info from Justice
- Talk to Commissioner next wk.
- Told to limit relationship

☐ Info w/ C-125

- military configuration
- regional Sqwn

- issues in document - had to
- needed advice on how to handle

☐ Call Mr. Van Rabb

7/10

☐ Info w/ A.C. [redacted]☐ FBI FOU Don't have no support☐ Do Family Support☐ FBI [redacted] [redacted]☐ Point of [redacted]

ZSK

5-30

e 5, Footnote 30

UNCLASSIFIED

J 19348

JDF:tmb
KESPI3UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 85-644-Cr-ATAINS

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

JESUS GARCIA,)

Defendant.)

MOTION FOR CONTINUANCE

The United States, by and through the undersigned Assistant United States Attorney, respectfully requests this court to continue sentencing in this cause for approximately 30 days. In support of its request, the government alleges:

1. The defendant is scheduled to be sentenced on March 18, 1986.
2. On March 17, 1986 at approximately 4:30 P.M., the United States Attorney's Office for the Southern District of Florida was requested by the Department of Justice to seek a continuance of the sentencing hearing in this cause.
3. The Government in recent days has initiated an investigation into matters which arise from this case. The Government believes that it would be in the best interest of all parties that the sentencing in this matter be postponed until the Government has had an opportunity to explore certain allegations which could possibly affect the sentence imposed on Jesus Garcia.

UNCLASSIFIED

4325

ENVELOPES NOT PROVIDED

UNCLASSIFIED

WHEREFORE, the Government respectfully requests this Court to postpone sentencing for approximately 30 days.

Respectfully submitted,

LEON B. KELLNER
UNITED STATES ATTORNEY

By: JEFFREY D. FELDMAN
ASSISTANT UNITED STATES ATTORNEY

CERTIFICATE OF SERVICE

I hereby certify that a copy of this pleading was mailed to John Maddes, Assistant Federal Public Defender, on this 15 day of March 1986.

JEFFREY D. FELDMAN

UNCLASSIFIED

Chapter 5

45

5-45

31 Apr 86

UNCLASSIFIED

- My w/ Doc + Bob @ 2078

- [redacted] protesting that A/C
left [redacted] w/o
permission- 2/3 of [redacted] went thru
Colo

- [redacted] 20 Apr 79 / [redacted] Plastic

- Have Ralph ask [redacted] for 12
Apr 79 numbers.172 - ~~Call from~~ [redacted]

- Row over ship today
- Casano 2/8/8
- Dirt is too loose, too
Soft. NOT FARMER
- wheels very strong
- pilot was [redacted]

- wants to talk to Ralph/Engineer
[redacted] will set-up mtg. among
[redacted]

- Prof. U.S. Attorney / 2 FBI + Resident Agent
- David Corbo
- Terrell (Rako)
- CARR - Guss to [redacted]

Order pro. etc. - E.O. 12333
Partially Declass. Aff. - 7/1/86
by [redacted] at [redacted]
Certify Class. 4

UNCLASSIFIED

4327

J 20977

UNCLASSIFIED

JJA NUMBER 001

AMA RECORDEN MESSAGE REPORT

AGENCY CODE	1500
AGENCY NAME	JUSTICE

PAGE NO 0001
RUN DATE 08/14/78

BUREAU CODE	1501
BUREAU NAME	UNITED STATES TRUSTEES

LOCATION D0J 633 CTX

BAC CODE 000

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DEST CONNECT

NAME	DATE	LENGTH	CITY
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EXT CJOE

EX-111

OF
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100	100	100

1 CALLS FOR

NOTES

ORIG NXX SUBTOTAL

1 CALLS FOR

MINUTES

BAC CODE SUBTOTAL

1 CALLS FOR

MINUTES

1

CITY CODE SUBTOTAL

! CALLS FOR

MINUTES

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1 CALLS FOR

MINUTES

711

UNCLASSIFIED

4326

Released on 1/20/84
by B. Rogers, National Security Council

J 20978

JDB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1502
BUREAU NAME JUSTICE MNGT DIVLOCATION DOJ 633 CTX
BAC CODE 000

UNCLASSIFIED

MONTH	DAY	ORIG FIS NXX	PRIG EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	29	633	1643	000	350	4471	1040	0012	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	12 MINUTES	1454	0002	026
04	02	633	1939	000	350	5454			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES	1419	0013	026
04	01	633	2351	000	350	5346			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	13 MINUTES	1423	0001	026
04	30	633	3371	000	350	4289	1745	0003	026
04	17	633	3371	000	350	4471	1101	0002	026
04	30	633	3371	000	350	4471	1103	0003	026
ORIG	EXT	SUBTOTAL		4	CALLS FOR	9 MINUTES	1417	0010	026
04	17	633	4006	000	350	5310			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	10 MINUTES	1434	0002	026
04	15	633	4444	512	350	4140			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES	1520	0014	026
04	24	633	4667	000	350	4237			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	14 MINUTES	1643	0030	026
04	02	633	5351	000	350	5571			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	30 MINUTES			

PAGE NO 0002
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UNCLASSIFIED

J 20979

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE	1500
AGENCY NAME	JUSTICE

BUREAU CODE 1502
BUREAU NAME JUSTICE MNGT DIV

LOCATION	GSA WASH 633
RAC CODE	000

MONTH	DAY	ORIG FIS NR	ORIG FIS EXT	DEST AREA CODE	DEST NR	DEST EXT	CONNECT TIME	LENGTH OF CALL	UNIT CODE
04	09	633	5788	000	350	4026	1259	0004	026
ORIG.	EXT	SUBTOTAL	1	CALLS FOR	4	MINUTES			
ORIG	NRX	SUBTOTAL	12	CALLS FOR	96	MINUTES			
BAC	CODE	SUBTOTAL	12	CALLS FOR	96	MINUTES			
CITY	CODE	SUBTOTAL	12	CALLS FOR	96	MINUTES			
BUREAU	SUBTOTAL		12	CALLS FOR	96	MINUTES			

UNCLASSIFIED

UNCLASSIFIED

PAGE NO 0003
RUN DATE 08/14/67

J 20930

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE	AGENCY NAME
01	ALABAMA
02	ALASKA
03	ARIZONA
04	ARKANSAS
05	CALIFORNIA
06	COLORADO
07	CONNECTICUT
08	DELAWARE
09	FLORIDA
10	GEORGIA
11	HAWAII
12	ILLINOIS
13	INDIANA
14	IOWA
15	KANSAS
16	KENTUCKY
17	LOUISIANA
18	MAINE
19	MARYLAND
20	MASSACHUSETTS
21	MICHIGAN
22	MINNESOTA
23	MISSISSIPPI
24	MISSOURI
25	MONTANA
26	NEBRASKA
27	NEVADA
28	NEW HAMPSHIRE
29	NEW JERSEY
30	NEW MEXICO
31	NEW YORK
32	NORTH CAROLINA
33	NORTH DAKOTA
34	OHIO
35	OKLAHOMA
36	OREGON
37	PENNSYLVANIA
38	RHODE ISLAND
39	SOUTH CAROLINA
40	SOUTH DAKOTA
41	TENNESSEE
42	TEXAS
43	UTAH
44	VERMONT
45	VIRGINIA
46	WASHINGTON
47	WEST VIRGINIA
48	WISCONSIN
49	WYOMING
50	AMERICAN SAMOA
51	GUAM
52	NORTHERN MARIANA ISLANDS
53	Puerto Rico
54	U.S. VIRGIN ISLANDS
55	ARMY
56	NAVY
57	AIR FORCE
58	COAST GUARD
59	ARMED FORCES
60	OTHER

1500
JUSTICE

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LOCATION

DDJ 633 CTX

RAC CODE

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MONTH	DAY	ORIG AREA NXX	ORIG FIS EXT	DEST CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	14	633	2064	000	350	2620	1535	0011	026
ORIG 04	EXT 22	633	2411	1	CALLS FOR 212	11 MINUTES 4392	1657	0007	026
ORIG 04	EXT 07	633	2900	1	CALLS FOR 350	7 MINUTES 7276	1454	0007	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	7 MINUTES			
ORIG	NXX	SUBTOTAL		3	CALLS FOR	25 MINUTES			
BAC	CODE	SUBTOTAL		3	CALLS FOR	25 MINUTES			
CITY	CODE	SUBTOTAL		3	CALLS FOR	25 MINUTES			
BUREAU	SUBTOTAL		3	CALLS FOR	25 MINUTES				

J 20981

UNCLASSIFIED

JOB NUMBER

001

AMA RECEIVED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1504
OFC OF PROF RESPH

LOCATION

DOJ 633 CTX

BAC CODE

000

MONTH	DAY	ORIG FIS MX	ORIG FIS EXT	DEST AREA CODE	DEST MX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	24	633	2237	000	350	5416	1524	0002	026
ORIG EXT	SUBTOTAL			1	CALLS FOR	2 MINUTES			
ORIG	MAX SUBTOTAL			1	CALLS FOR	2 MINUTES			
BAC CODE	SUBTOTAL			1	CALLS FOR	2 MINUTES			
CITY CODE	SUBTOTAL			1	CALLS FOR	2 MINUTES			
BUREAU	SUBTOTAL			1	CALLS FOR	2 MINUTES			

UNCLASSIFIED

PAGE NO 0005
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UNCLASSIFIED

J 20982

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1505
DFO OF ATTORNEY GEN

LOCATION

DOJ 633 CTX

BAC CODE

000

MONTH	DAY	ORIG FIS MAX	ORIG FIS EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	25	633	2869	000	350	5066	1400	0006	026
DRIG	EXT	SUBTOTAL		1	CALLS FOR	6	MINUTES		
ORIG	MAX	SUBTOTAL		1	CALLS FOR	6	MINUTES		
BAC	CODE	SUBTOTAL		1	CALLS FOR	6	MINUTES		
CITY	CODE	SUBTOTAL		1	CALLS FOR	6	MINUTES		
BUREAU		SUBTOTAL		1	CALLS FOR	6	MINUTES		

UNCLASSIFIED

20983

UNCLASSIFIED

JON NUMBER 001

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1506
BUREAU NAME OFC OF ASSC ATTY GENLOCATION CSA WASH 633
RAC CODE 000

AMA RECORDED MESSAGE REPORT

MONTH	DAY	ORIG FIS NRX	ORIG EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	23	633	5423	000	350	5214	1324	0004	026
ORIG EXT	SUBTOTAL	633	5427	1	CALLS FOR 350	4 MINUTES 4601	1211	0005	026
ORIG EXT	SUBTOTAL			1	CALLS FOR	5 MINUTES			
ORIG NRX	SUBTOTAL			2	CALLS FOR	9 MINUTES			
RAC CODE	SUBTOTAL			2	CALLS FOR	9 MINUTES			
CITY CODE	SUBTOTAL			2	CALLS FOR	9 MINUTES			
BUREAU	SUBTOTAL			2	CALLS FOR	9 MINUTES			

UNCLASSIFIED

PAGE NO 0007
RUN DATE 08/14/87

J 20984

JON NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1507
BUREAU NAME CIVIL DIVISIONLOCATION DOJ 633 CTX
9AC CODE 000

MONTH	DAY	DRIG FIS MXR	DRIG FIS EXT	DEST AREA CODE	DEST MXR	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	04	633	1597	000	350	5934	0957	0009	026
DRIG EXT SUBTOTAL	04	633	3170	1	CALLS FOR 350	9 MINUTES 5486	1005	0002	026
DRIG EXT SUBTOTAL	04	633	3378	1	CALLS FOR 350	2 MINUTES 5471	0926	0001	026
DRIG EXT SUBTOTAL	04	633	4052	1	CALLS FOR 350	1 MINUTES 5934	1617	0013	026
DRIG EXT SUBTOTAL				1	CALLS FOR	13 MINUTES			
DRIG MXR SUBTOTAL				4	CALLS FOR	25 MINUTES			
9AC CODE SUBTOTAL				4	CALLS FOR	25 MINUTES			
CITY CODE SUBTOTAL				4	CALLS FOR	25 MINUTES			
BUREAU SUBTOTAL				4	CALLS FOR	25 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

J 20986

JIB NUMBER 001

AMA RECORDING MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1510
BUREAU NAME OFC OF LEGIS AFFRSLOCATION DOJ 633 CTR
BAC CODE 000

MONTH	DAY	ORIG FTS NRK	ORIG FTS EXT	DEST AREA CODE	DEST NRK	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	08	633	4117	000	350	4471	1208	0014	026
04	14	633	4117	000	350	4471	1236	0007	026
04	15	633	4117	000	350	4242	1236	0001	028
DRIG	EXT	SUBTOTAL	3	CALLS FOR	20	MINUTES			
DRIG	NRK	SUBTOTAL	3	CALLS FOR	20	MINUTES			
BAC	CODE	SUBTOTAL	3	CALLS FOR	20	MINUTES			
CITY	CODE	SUBTOTAL	3	CALLS FOR	20	MINUTES			
BUREAU		SUBTOTAL	3	CALLS FOR	20	MINUTES			

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UNCLASSIFIED

PAGE NO 0010
RUN DATE 08/14/80

J 20987

JMR NUMBER 001

A4A RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1511
BUREAU NAME CRIMINAL DIVISIONLOCATION MDJ 633 CTX
SAC CODE 000

UNCLASSIFIED

MONTH	DAY	ORIG FIS MAX	ORIG FIS EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE	
04	10	633	1567	000	350	4414	1038	0004	026	
04	23	633	1567	000	350	4414	1438	0004	026	
04	29	633	1567	000	350	4414	1650	0006	026	
ORIG	EXT	SUBTOTAL	1968	CALLS	FNR	25	MINUTES	1503	0001	026
04	18	633		000	350	4433				
ORIG	EXT	SUBTOTAL	2394	CALLS	FNR	1	MINUTES	1607	0002	026
04	25	633		000	350	5044				
ORIG	EXT	SUBTOTAL	2567	CALLS	FNR	2	MINUTES	1755	0002	026
04	16	633	2567	000	350	5044	1038	0004	026	
04	17	633	2567	000	350	5044	1545	0002	026	
04	22	633	2567	000	350	5044	1434	0002	026	
ORIG	EXT	SUBTOTAL	2691	CALLS	FNR	10	MINUTES	1032	0001	026
04	10	633		000	350	5044				
ORIG	EXT	SUBTOTAL	2816	CALLS	FNR	1	MINUTES	0900	0002	026
04	15	633		000	350	5044				
ORIG	EXT	SUBTOTAL	3684	CALLS	FNR	2	MINUTES	0919	0003	026
04	29	633		000	350	4457				
ORIG	EXT	SUBTOTAL		CALLS	FNR	3	MINUTES			
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UNCLASSIFIED

PAGE NO 0011
RUN DATE 08/14/77

J 20988

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1511
CRIMINAL DIVISION

LOCATION

DDJ 633 CTR

BAC CODE

000

MONTH	DAY	ORIG FIS MAX	ORIG FIS EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	11	633	3695	000	350	5045	1434	0002	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	2 MINUTES		0001	026
04	09	633	3686	000	350	5420	1511	0001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES		0013	026
04	29	633	3687	000	350	4095	1630	0013	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	13 MINUTES		0008	026
04	15	633	3741	000	350	5044	1739	0008	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	9 MINUTES		0002	026
04	23	633	3759	000	350	5044	1026	0002	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	4 MINUTES		0009	026
04	25	633	3961	000	350	5045	1028	0009	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	8 MINUTES		0001	026
04	16	633	4009	000	350	5044	0956	0002	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	3 MINUTES		0004	026
04	04	633	4139	000	350	2930	2111	0004	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	4 MINUTES		0001	026
04	08	633	4654	000	350	5432	0932	0001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES			

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UNCLASSIFIED

PAGE NO 0012
RUN DATE 08/14/07

J 20989

UNCLASSIFIED

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE

1500

AGENCY NAME

JUSTICE

BUREAU CODE

1311

BUREAU NAME

CRIMINAL DIVISION

LOCATION

DOJ 633 CTX

BAC CODE

000

MONTH	DAY	ORIG FIS MAX	ORIG FIS EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	29	633	4655	000	350	4095	1115	0001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES		0001	026
04	29	633	4674	1	000	5438	1518		
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES		0001	026
04	29	633	4675	1	000	5441	1028		
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES		0001	026
04	16	633	5029	1	000	5009	0954		
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES		0001	026
04	11	633	5096	1	000	5044	1137		
ORIG	EXT	SUBTOTAL		CALLS	FOR	2 MINUTES		0002	026
ORIG	MAX	SUBTOTAL		CALLS	FOR	94 MINUTES			
BAC	CODE	SUBTOTAL		CALLS	FOR	94 MINUTES			
CITY	CODE	SUBTOTAL		CALLS	FOR	94 MINUTES			
BUREAU	SUBTOTAL			CALLS	FOR	94 MINUTES			

UNCLASSIFIED

J 20990

JNR NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1512
BUREAU NAME OFC OF THE DEP ATY GENLOCATION 00J 633 CTX
RAC CODE 000

MONTH	DAY	ORIG FTS NRX	ORIG FTS EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	11	633	2101	000	350	5401	1748	0005	026
ORIG	EXT	SUBTOTAL							
04	04	633	3008	000	350	5401	1133	0001	026
04	16	633	3004	000	350	5457	1552	0005	026
ORIG	EXT	SUBTOTAL							
2				CALLS FOR		4 MINUTES			
3				CALLS FOR		11 MINUTES			
3				CALLS FOR		11 MINUTES			
3				CALLS FOR		11 MINUTES			
3				CALLS FOR		11 MINUTES			
BUREAU				CALLS FOR		11 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

PAGE NO 0014
RUN DATE 08/14/87

J 20991

JPRS NUMBER 001

AMA RECORDED MESSAGE REPORT

PAGE NO 0015
RUN DATE 08/14/87

AGENCY-NAME	1500
AGENCY CODE	JUSTICE

BUREAU CODE 1515
BUREAU NAME IAH AND NATZN SVC

LOCATION DOJ 633 CTK

BAC CODE

MONTH	DAY	ORIG FIS MXK	ORIG FIS EXT	DEST AREA CODE	DEST MXK	DEST FIS EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	14	633	1851	000	350	5812	2227	0002	026
04	14	633	1851	000	350	5812	2210	0002	026
ORIG 04	EXT SUBTOTAL	633	1852	CALLS FOR	350	MINUTES	1313	0006	026
04	03	633	1852	000	350	5715	0858	0003	026
04	14	633	1852	000	350	5856	2224	0005	026
ORIG 04	EXT SUBTOTAL	633	1852	CALLS FOR	350	MINUTES	1116	0001	026
04	16	633	1915	000	350	5705	1116	0001	026
ORIG 04	EXT SUBTOTAL	633	1915	CALLS FOR	350	MINUTES	1121	0001	026
04	03	633	1916	000	350	5713	1314	0006	026
04	30	633	1916	000	350	5714	1201	0010	026
04	24	633	1916	000	350	5811	0819	0001	026
04	29	633	1916	000	350	5826	2309	0001	026
ORIG 04	EXT SUBTOTAL	633	1917	CALLS FOR	350	MINUTES	0906	0002	026
04	30	633	1917	000	350	5710	0906	0002	026
ORIG 04	EXT SUBTOTAL	633	1918	CALLS FOR	350	MINUTES	1218	0001	026
04	03	633	1918	000	350	5499	0939	0001	026
ORIG 04	EXT SUBTOTAL	633	1919	CALLS FOR	350	MINUTES	1728	0001	026
04	03	633	1919	000	350	4867	1728	0001	026

J 20992

UNCLASSIFIED

JOB NUMBER	001	AGENCY CODE	1500	AGENCY NAME	JUSTICE	BUREAU CODE	1515	BUREAU NAME	IMM AND NATZN SVC	LOCATION	DOJ 633 CTX	MAC CODE	000
MONTH	DAY	ORIG EXT SUBTOTAL	ORIG EXT SUBTOTAL	DEST CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE				
04	14	633	1919	000	350	5713	1517	0005	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	04	633	1923	2	CALLS FOR	350	5 MINUTES	0006	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	02	633	2315	1	CALLS FOR	350	6 MINUTES	0005	026				
04	01	633	2315	000	350	5715	1518	0001	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	16	633	2326	2	CALLS FOR	350	6 MINUTES	0005	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	04	633	2331	1	CALLS FOR	350	5 MINUTES	0001	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	10	633	2346	1	CALLS FOR	350	1 MINUTES	0002	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	29	633	2363	1	CALLS FOR	350	2 MINUTES	0005	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	25	633	2466	1	CALLS FOR	350	5 MINUTES	0005	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	11	633	2471	1	CALLS FOR	350	5 MINUTES	0001	026				
ORIG	EXT	SUBTOTAL	ORIG	EXT	SUBTOTAL	DEST	CODE	DEST	MAX				
04	11	633	2471	1	CALLS FOR	350	1 MINUTES	0001	026				

AMA RECORDED MESSAGE REPORT

PAGE NO 0016
RUN DATE 08/16/87

UNCLASSIFIED

J 20993

UNCLASSIFIED

001	AMA RECORDED MESSAGE REPORT										P R
1500 JUSTICE											
1515 IMM AND NATZN SVC											
DOJ 633 CTX											
000											
MONTH	DAY	ORIG FIS NXX	ORIG FIS EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE		
04 04	03 11	633 633	2473 2473	000 020	350 350	4529 6857	0940 1214	0001 0001	026 026		
ORIG 04	EXT SUBTOTAL	633	2500	2 CALLS FOR	350	2 MINUTES 4925	1456	0004	026		
ORIG 04	EXT SUBTOTAL	633	2543	1 CALLS FOR	350	4 MINUTES 5344	1403	0015	026		
ORIG 04	EXT SUBTOTAL	633	2591 2591	1 CALLS FOR 000 000	350 350	15 MINUTES 4386 4897	1431 1246	0006 0007	026 026		
ORIG 04	EXT SUBTOTAL	633	2607	2 CALLS FOR	350	13 MINUTES 5811	1519	0001	026		
ORIG 04	EXT SUBTOTAL	633	2631	1 CALLS FOR	350	1 MINUTES 4399	1039	0005	026		
ORIG 04	EXT SUBTOTAL	633	2649	1 CALLS FOR	350	5 MINUTES 4787	1017	0005	026		
ORIG 04	EXT SUBTOTAL	633	2656	1 CALLS FOR	350	5 MINUTES 5475	1319	0002	026		
ORIG 04	EXT SUBTOTAL	633	2680	1 CALLS FOR	350	2 MINUTES 2664	1450	0013	026		

UNCLASSIFIED

PAGE NO 0017
RUN DATE 08/14/87

AMA RECORDED MESSAGE REPORT

PAGE NO 0018
RUN DATE 08/16/87

JTR NUMBER 001
 AGENCY CODE 1500
 AGENCY NAME JUSTICE
 BUREAU CODE 1515
 BUREAU NAME IHM AND NATZN SVC
 LOCATION DOJ 633 CTX
 MAC CODE 000

MONTH	DAY	ORIG TIME MAX	ORIG EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
06	17	633	2690	000	350	2664	1356	0004	026
ORIG EXT SUBTOTAL	03	633	2700	2	CALLS FOR 350	17 MINUTES 4787	1002	0016	026
ORIG EXT SUBTOTAL	09	633	2761	1	CALLS FOR 350	15 MINUTES 4782	1432	0007	026
06	11	633	2761	000	350	5121	0954	0007	026
06	15	633	2761	000	350	5121	1010	0001	026
06	22	633	2761	000	350	5121	1626	0002	026
ORIG EXT SUBTOTAL	14	633	2818	4	CALLS FOR 350	17 MINUTES 4797	1540	0001	026
ORIG EXT SUBTOTAL	09	633	2838	1	CALLS FOR 350	1 MINUTES 4897	1554	0010	026
06	19	633	2838	000	350	5715	1226	0005	026
06	15	633	2838	000	350	5715	1432	0001	026
ORIG EXT SUBTOTAL	07	633	2895	3	CALLS FOR 350	15 MINUTES 4860	1101	0023	026
06	07	633	2895	000	350	4592	0844	0003	026
ORIG EXT SUBTOTAL	18	633	2896	2	CALLS FOR 350	25 MINUTES 4471	1456	0001	026
ORIG EXT SUBTOTAL				1	CALLS FOR	1 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

J 20995

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME JUSTICEBUREAU CODE 1515
BUREAU NAME IMM AND NATZN SVC

LOCATION 00J 633 CTX

BAC CODE 000

PAGE NO 003
RUN DATE 08/14/07

UNCLASSIFIED

MONTH	DAY	ORIG FIS NXX	ORIG FIS EXT	DEST AREA CODE	DEST NXX	DEST FAT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	01	633	2907	395	350	5121	0959	0002	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES		0001	026
04	08	633	2981	000	350	4050	0953	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES		0032	026
04	24	633	3072	000	350	5826	1340	0003	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	32 MINUTES		0003	026
04	09	633	3073	000	350	6937	1701	0002	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	3 MINUTES		0002	026
04	03	633	3074	000	350	5926	1450	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES		0001	026
04	09	633	3119	000	350	5454	0933	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES		0001	026
04	01	633	3154	000	350	4601	1042	0004	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES		0004	026
04	01	633	3225	000	350	4359	1925	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	4 MINUTES		0001	026
04	25	633	3240	000	350	5318	1432	0001	026
ORIG	EXT	SUBTOTAL		2	CALLS FOR	6 MINUTES		0001	026

UNCLASSIFIED

JMS NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE

1500
AGENCY NAME
JUSTICE

BUREAU CODE

1515
BUREAU NAME
FHM AND NATZM SVC

LOCATION

DDJ 633 CTX

BAC CODE

000

UNCLASSIFIED

MONTH	DAY	ORIG FIS NXX	DRG FIS EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	25	633	3241	000	350	5319	0959	0015	026
ORIG 04	EXT SUBTOTAL 09	633	3360	1	CALLS FOR 350	15 MINUTES 2930	1157	0006	026
ORIG 04	FRT SUBTOTAL 17	633	3406	1	CALLS FOR 350	6 MINUTES 5318	1512	0001	026
ORIG 04	EXT SUBTOTAL 30	633	3584	1	CALLS FOR 350	1 MINUTES 4560	1537	0002	026
ORIG 04	EXT SUBTOTAL 25	633	3669	1	CALLS FOR 350	2 MINUTES 4887	1047	0003	026
ORIG 04	EXT SUBTOTAL 30	633	3702	1	CALLS FOR 350	3 MINUTES 4787	1440	0014	026
ORIG 04	EXT SUBTOTAL 25	633	3722	1	CALLS FOR 350	14 MINUTES 5826	1117	0009	026
ORIG 04	EXT SUBTOTAL 14	633	4033	1	CALLS FOR 350	9 MINUTES 2930	1612	0003	026
ORIG 04	EXT SUBTOTAL 11	633	4035	2	CALLS FOR 350	8 MINUTES 2930	1611	0003	026
ORIG 04	EXT SUBTOTAL 17	633	4035	2	CALLS FOR 350	5 MINUTES 2930	1556	0002	026

UNCLASSIFIED

J 20997

JON NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1515
BUREAU NAME 144 AND NATZN SVCLOCATION 00J 633 CTR
DAC CODE 000

UNCLASSIFIED

MONTH	DAY	ORIG FIS NXX	ORIG FIS EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	24	633	4120	000	350	4530	1420	0012	026
04	24	633	4120	000	350	4530	1451	0005	026
ORIG	EXT	SUBTOTAL	4123	2	CALLS FOR	350	17 MINUTES	0002	026
04	14	633	4123	000	350	4828	1509	0002	026
ORIG	EXT	SUBTOTAL	4191	1	CALLS FOR	350	2 MINUTES	0004	026
04	09	633	4191	000	350	4601	1532	0004	026
ORIG	EXT	SUBTOTAL	4227	1	CALLS FOR	350	4 MINUTES	0013	026
04	04	633	4227	000	350	5707	1538	0013	026
ORIG	EXT	SUBTOTAL	4411	1	CALLS FOR	350	13 MINUTES	0005	026
04	01	633	4411	000	350	5715	0925	0001	026
ORIG	EXT	SUBTOTAL	4499	2	CALLS FOR	350	5 MINUTES	0013	026
04	14	633	4499	000	350	7299	0903	0013	026
ORIG	EXT	SUBTOTAL	5009	1	CALLS FOR	350	13 MINUTES	0001	026
04	30	633	5009	000	350	4828	1050	0004	026
04	04	633	5009	000	350	5715	1334	0007	026
ORIG	EXT	SUBTOTAL	5014	3	CALLS FOR	350	12 MINUTES	0009	026
04	08	633	5014	000	350	4828	0923	0009	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR		9 MINUTES		

UNCLASSIFIED

J 20998

JMM NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1515
BUREAU NAME INM AND NATZN SVC

LOCATION 00J 633 CTX

BAC CODE 000

MONTH	DAY	DRIG FTS EXT NXX	DRIG FTS EXT NXX	DEST AREA CODE	DEST NXX	DEST FRT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	08	633	5311	000	350	4434	1520	0006	026
DRIG	EXT	SUBTOTAL		1	CALLS FOR	6 MINUTES			
04	29	633	5368	000	350	4601	1815	0001	026
04	03	633	5369	000	350	5710		0006	026
DRIG	EXT	SUBTOTAL		2	CALLS FOR	7 MINUTES			
04	04	633	5370	000	350	4360	0915	0006	026
DRIG	EXT	SUBTOTAL		1	CALLS FOR	6 MINUTES			
04	11	633	5463	000	350	4834	1347	0007	026
DRIG	EXT	SUBTOTAL		1	CALLS FOR	7 MINUTES			
04	02	633	5464	000	350	4918	1415	0002	026
04	07	633	5464	000	350	4972	1054	0001	026
DRIG	EXT	SUBTOTAL		2	CALLS FOR	3 MINUTES			
DRIG	EXT	SUBTOTAL		99	CALLS FOR	440 MINUTES			
BAC	CODE	SUBTOTAL		99	CALLS FOR	440 MINUTES			
CITY	CODE	SUBTOTAL		99	CALLS FOR	440 MINUTES			
BUREAU	SUBTOTAL			99	CALLS FOR	440 MINUTES			

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J 20999

UNCLASSIFIED

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1517
LND5 NAT RES DWNLOCATION
RAC CODEDOJ 633 CTX
000

MONTH	DAY	ORIG PTS MAX	ORIG PTS EXT	DEST AREA CODE	DEST MAX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	04	633	1197	000	350	5472	1412	1001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES			
04	22	633	1307	000	350	5486	1704	0001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES			
04	03	633	2280	000	350	5486	1136	0003	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	3 MINUTES			
04	03	633	2757	000	350	7200	1405	0011	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	11 MINUTES			
04	23	633	3820	000	350	4019	1236	0006	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	6 MINUTES			
04	24	633	4170	000	350	4019	1411	0001	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	1 MINUTES			
04	17	633	5485	000	350	4471	1019	0005	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	5 MINUTES			
04	30	633	5795	000	350	4917	1057	0003	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	4 MINUTES			
04	30	633	5785	000	350	6924	1021	0003	026
ORIG	EXT	SUBTOTAL		CALLS	FOR	10 MINUTES			
ORIG	MAX	SUBTOTAL		CALLS	FOR	44 MINUTES			
RAC	CODE	SUBTOTAL		CALLS	FOR	44 MINUTES			
CITY	CODE	SUBTOTAL		CALLS	FOR	44 MINUTES			
BUREAU	SUBTOTAL			CALLS	FOR	44 MINUTES			

UNCLASSIFIED

PAGE NO 0023
RUN DATE 08/14/87

J 21000

JOB NUMBER 001

AMA RECDPEN MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEPAGE NO 0024
RUN DATE 08/14/87BUREAU CODE 1520
BUREAU NAME OFC OF SOLCTR GENRL

LOCATION DOJ 533 CTX

BAC CODE 000

MONTH	DAY	ORIG FIS EXT NXX	ORIG FIS EXT NXX	DEST AREA CODE	DEST NXX	DEST FIS EXT NXX	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	07	633	2789	000	350	4035	1113	0001	026
04	28	633	2789	000	350	6921	1128	0003	026
ORIG	EXT	SUBTOTAL	2	CALLS FOR	4	MINUTES			
ORIG	NXX	SUBTOTAL	2	CALLS FOR	4	MINUTES			
BAC	CODE	SUBTOTAL	2	CALLS FOR	4	MINUTES			
CITY	CODE	SUBTOTAL	2	CALLS FOR	4	MINUTES			
BUREAU		SUBTOTAL	2	CALLS FOR	4	MINUTES			

UNCLASSIFIED

UNCLASSIFIED

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1521
BUREAU NAME TAX DIVISIONLOCATION DOJ 633 CTX
BAC CODE 000PAGE NO 0025
RUN DATE 08/16/07

UNCLASSIFIED

MONTH	DAY	ORIG FIS MXR	ORIG EXT	DEST AREA CODE	DEST MXR	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	17	633	2770	000	350	6824	1614	0007	026
04	25	633	2270	000	350	6824	1504	0007	026
04	09	633	2792	000	350	5454	1331	0007	026
04	02	633	4343	000	350	4947	1202	0002	026
04	23	633	5125	000	350	5571	1443	0002	026
04	04	633	5144	000	350	6818	1123	0009	026
04	29	633	5144	000	350	6818	1141	0011	026
04	23	633	5162	000	350	4395	1637	0003	026
04	04	633	5162	000	350	4827	1402	0001	026
04	04	633	5162	000	350	5049	1723	0011	026
04	24	633	5162	000	350	6818	1554	0004	026
04	14	633	5183	000	350	4395	1248	0014	026

UNCLASSIFIED

JON NUMBER 001

AMA RECDDED MESSAGE REPORT

AGENCY CODE: 1500
AGENCY NAME: JUSTICE

BUREAU CODE 1521
BUREAU NAME TAX DIVISION

LOCATION DOJ 633 CTX

RAC CODE	000.
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MONTH	DAY	ORIG FTS NXX	ORIG EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	02	633	5191	000	350	4029	1630	0010	026
04	02	633	5191	000	350	4671	1533	0001	026
ORIG 04	EXT 17	633	5192	2 000	350	11 5037	1019	0004	026
ORIG	EXT	SUBTOTAL	1	CALLS FOR	4	MINUTES			
ORIG	NXX	SUBTOTAL	16	CALLS FOR	93	MINUTES			
NAC	CODE	SUBTOTAL	16	CALLS FOR	93	MINUTES			
CITY	CODE	SUBTOTAL	16	CALLS FOR	93	MINUTES			
BUREAU		SUBTOTAL	16	CALLS FOR	93	MINUTES			

UNCLASSIFIED

UNCLASSIFIED

J 21003

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1522
BUREAU NAME OFC OF PUB AFFAIRSLOCATION DOJ 633 CTX
BAC CODE 000PAGE NO 0037
RUN DATE 08/16/07

UNCLASSIFIED

MONTH	DAY	ORIG FIS NRX	ORIG EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	23	633	1677	617	350	9747	1519	0005	026
ORIG EXT SUBTOTAL		633	2010	1	CALLS FOR 350	5 MINUTES 4471	1425	0007	026
04	23			212	350	4885	1240	0003	026
ORIG EXT SUBTOTAL				2	CALLS FOR	10 MINUTES			
ORIG NRX SUBTOTAL				3	CALLS FOR	15 MINUTES			
BAC CODE SUBTOTAL				3	CALLS FOR	15 MINUTES			
CITY CODE SUBTOTAL				3	CALLS FOR	15 MINUTES			
BUREAU SUBTOTAL				3	CALLS FOR	15 MINUTES			

UNCLASSIFIED

J 21004

JOB NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1523
CMPTX TECH AND TELCOM SIF

LOCATION

DOJ 633 CTX

BAC CODE

000

UNCLASSIFIED

MONTH	DAY	ORIG FIS NXX	ORIG FIS EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	17	633	1206	617	350	0538	1202	0009	026
ORIG	EXT	SUBTOTAL	1675	1	CALLS FOR	9 MINUTES	1433	0002	026
04	04	633	2000	000	350	4926	1205	0001	026
ORIG	EXT	SUBTOTAL	2000	1	CALLS FOR	2 MINUTES	0700	0001	026
04	05	633	2000	000	350	4471	0752	0001	026
ORIG	EXT	SUBTOTAL	3300	3	CALLS FOR	3 MINUTES	1211	0005	026
04	10	633	3300	000	350	4833	1408	0004	026
ORIG	EXT	SUBTOTAL	3300	3	CALLS FOR	15 MINUTES	1756	0009	026
04	30	633	3632	000	350	4560	1536	0001	026
ORIG	EXT	SUBTOTAL	3660	1	CALLS FOR	1 MINUTES	0956	0001	026
04	11	633	3661	000	350	4261	1245	0001	026
ORIG	EXT	SUBTOTAL	3662	1	CALLS FOR	1 MINUTES	1250	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES			

UNCLASSIFIED

J 21005

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1523
BUREAU NAME CHIEF TECH AND TELCOM STFLOCATION DOJ 633 CTX
BAC CODE 000

MONTH	DAY	ORIG PTS MX	ORIG EXT	DEST AREA CODE	DEST MX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	25	633	4360	009	350	4019	1004	0002	026
ORIG EXT	SUBTOTAL	633	4367	1	CALLS FOR	2 MINUTES		0006	026
ORIG EXT	SUBTOTAL		1	1	CALLS FOR	6 MINUTES			
ORIG MX	SUBTOTAL		14	14	CALLS FOR	44 MINUTES			
BAC CODE	SUBTOTAL		14	14	CALLS FOR	44 MINUTES			
CITY CODE	SUBTOTAL		14	14	CALLS FOR	44 MINUTES			
BUREAU	SUBTOTAL		14	14	CALLS FOR	44 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

J 21006

UNCLASSIFIED

JON NUMBER

001

AMA RECORDED MESSAGE REPORT

AGENCY CODE
AGENCY NAME1500
JUSTICEBUREAU CODE
BUREAU NAME1529
JUST ASST, RESRCH AND STAT

LOCATION

00J 633 CTR

BAC CODE

000

MONTH	DAY	ORIG FIS MAX	ORIG FIS EXT	DEST AREA CODE	DEST MAX	DEST FIS	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	24	633	2131	090	350	6924	1231	0005	026
ORIG EXT SUBTOTAL			1	CALLS FOR		5 MINUTES			
ORIG MAX SUBTOTAL			1	CALLS FOR		5 MINUTES			
BAC CODE SUBTOTAL			1	CALLS FOR		5 MINUTES			
CITY CODE SUBTOTAL			1	CALLS FOR		5 MINUTES			
BUREAU SUBTOTAL			1	CALLS FOR		5 MINUTES			

UNCLASSIFIED

PAGE NO 0030
RUN DATE 08/14/87

J77 NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE	1500
AGENCY NAME	JUSTICE

BUREAU CODE	1530
BUREAU NAME	INFO SYSTEMS STAFF

LOCATION	DDJ 633 CTX
PAC CODE	000

PAGE NO 0031
RUN DATE 06/14/87

MONTH	DAY	ORIG FRT MX	PRG EXT	DEST AREA CODE	DEST MX	DEST FRT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	02	633	4537	000	350	5461	1524	0001	026
ORIG	FRT	SUBTOTAL	1	CALLS FOR	350	1 MINUTES	1514	0003	026
04	02	633	4539	000	350	5004	0940	0005	026
ORIG	FRT	SUBTOTAL	2	CALLS FOR	0	0 MINUTES			
ORIG	MAX	SUBTOTAL	3	CALLS FOR	9	9 MINUTES			
RAC	CODE	SUBTOTAL	3	CALLS FOR	9	9 MINUTES			
CITY	CODE	SUBTOTAL	3	CALLS FOR	9	9 MINUTES			
BUREAU	SUBTOTAL		3	CALLS FOR	9	9 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

JOG NUMBER 001

AGENCY CODE 1500
AGENCY NAME JUSTICE

BUREAU CODE 1532
BUREAU NAME DRUG ENFORCEMENT ADMIN

LOCATION DOJ 633 CTX

RAC CODE 000

PAGE NO 0032
RUN DATE 08/16/87

MONTH	DAY	ORIG FTS EXT	ORIG FTS EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	01	633	1004	000	350	2620	1619	0001	026
04	17	633	1004	000	350	2622	1259	0002	026
04	25	633	1004	000	350	3110	1154	0001	026
04	24	633	1004	000	350	6824	0836	0001	026
ORIG	EXT	SUBTOTAL	4	CALLS FOR	5	MINUTES	1044	0004	026
04	23	633	1015	000	350	4775	1107	0001	026
04	17	633	1015	000	350	5127	1157	0001	026
ORIG	EXT	SUBTOTAL	3	CALLS FOR	6	MINUTES	1401	0001	026
04	09	633	1017	020	350	4019	1259	0001	026
04	18	633	1017	000	350	4019	1259	0001	026
04	02	633	1017	000	350	5242	1704	0006	026
04	21	633	1017	000	350	5401	1215	0001	026
ORIG	EXT	SUBTOTAL	4	CALLS FOR	9	MINUTES	1519	0002	026
04	28	633	1020	000	350	4471	1519	0002	026
ORIG	EXT	SUBTOTAL	1	CALLS FOR	2	MINUTES	1711	0014	026
04	09	633	1045	070	350	5443	1711	0014	026
ORIG	EXT	SUBTOTAL	1	CALLS FOR	14	MINUTES	0909	0010	026
04	10	633	1081	000	350	7263	0909	0010	026
ORIG	EXT	SUBTOTAL	1	CALLS FOR	10	MINUTES	1458	0002	026
04	18	633	1141	000	350	5934	1458	0002	026
ORIG	EXT	SUBTOTAL	1	CALLS FOR	2	MINUTES	1458	0002	026

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UNCLASSIFIED

J 21009

JDN NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1532
BUREAU NAME DRUG ENFORCEMENT ADMIN

LOCATION DOJ 633 CTX

BAC CODE 000

MONTH	DAY	ORIG PTS NRX	ORIG PTS EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	25	633	1194	000	350	2620	1510	0001	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES		0001	026
04	21	633	1195	000	350	2620	1121	0001	026
04	15	633	1195	000	350	4019	1035	0003	026
ORIG	EXT	SUBTOTAL		3	CALLS FOR	5 MINUTES		0002	026
04	02	633	1209	000	350	5310	1138	0002	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES		0003	026
04	24	633	1209	000	350	5654	1541	0002	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	3 MINUTES		0002	026
04	29	633	1213	000	350	4019	1105	0012	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	2 MINUTES		0005	026
04	07	633	1271	000	350	5813	1134	0005	026
ORIG	EXT	SUBTOTAL		2	CALLS FOR	17 MINUTES		0001	026
04	23	633	1289	000	350	4773	1420	0009	026
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES		0026	026
04	04	633	1301	000	350	7263	1153	0026	026
ORIG	EXT	SUBTOTAL		2	CALLS FOR	35 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

J 21010

AMA RECORDING MESSAGE REPORT

JOB NUMBER 001
 AGENCY CODE 1500
 AGENCY NAME JUSTICE

BUREAU CODE 1532
 BUREAU NAME DRUG ENFORCEMENT ADMIN

LOCATION 00J 633 CTX
 BAC CODE 000

PAGE NO 0034
 RUN DATE 08/14/87

UNCLASSIFIED

MONTH	DAY	ORIG FIS NRX	ORIG EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	01	633	1303	000	350	5432	1424	0001	026
ORIG	EXT SUBTOTAL	633	1315	1	CALLS FOR	1 MINUTES	1134	0002	026
04	22	633	1325	1	CALLS FOR	2 MINUTES	1548	0019	026
ORIG	EXT SUBTOTAL	633	1341	1	CALLS FOR	19 MINUTES	1329	0001	026
04	04	633	1359	1	CALLS FOR	1 MINUTES	1454	0006	026
ORIG	EXT SUBTOTAL	633	1370	1	CALLS FOR	6 MINUTES	1541	0001	026
04	04	633	1385	1	CALLS FOR	1 MINUTES	1415	0001	026
ORIG	EXT SUBTOTAL	633	1395	2	CALLS FOR	3 MINUTES	1023	0001	026
04	14	633	1445	1	CALLS FOR	1 MINUTES	1549	0001	026
ORIG	EXT SUBTOTAL	633							

UNCLASSIFIED

J 21011

UNCLASSIFIED

JCN NUMBER	001	AMA RECORDED MESSAGE REPORT
AGENCY CODE	1500	
AGENCY NAME	JUSTICE	
BUREAU CODE	1532	
BUREAU NAME	DRUG ENFORCEMENT ADMIN	
LOCATION	DOJ 633 CTX	
RAC CODE	000	
MONTH	04	
DAY	14	
ORIG PTS EXT	633 1459	
DEST AREA CODE	000	
DEST NRX	350	
DEST EXT	7263	
CONNECT TIME	1617	
LENGTH OF CALL	0002	
ELTY CODE	026	
ORIG EXT SUBTOTAL	633 1463	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	2 5483	
CONNECT TIME	1215	
LENGTH OF CALL	0014	
ELTY CODE	026	
ORIG EXT SUBTOTAL	633 1547	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	14 7263	
CONNECT TIME	0935	
LENGTH OF CALL	0011	
ELTY CODE	036	
ORIG EXT SUBTOTAL	633 1557	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	17 4920	
CONNECT TIME	1442	
LENGTH OF CALL	0005	
ELTY CODE	026	
ORIG EXT SUBTOTAL	633 1630	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	5 2643	
CONNECT TIME	1517	
LENGTH OF CALL	0016	
ELTY CODE	026	
ORIG EXT SUBTOTAL	633 1848	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	16 4201	
CONNECT TIME	1324	
LENGTH OF CALL	0012	
ELTY CODE	026	
ORIG EXT SUBTOTAL	633 3286	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	12 4471	
CONNECT TIME	1105	
LENGTH OF CALL	0007	
ELTY CODE	036	
ORIG EXT SUBTOTAL	633 3286	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	12 4471	
CONNECT TIME	1105	
LENGTH OF CALL	0007	
ELTY CODE	036	
ORIG EXT SUBTOTAL	633 3286	
DEST CALLS FOR	000 350	
DEST EXT MINUTES	12 4471	
CONNECT TIME	1105	
LENGTH OF CALL	0007	
ELTY CODE	036	

UNCLASSIFIED

JNR NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1532
BUREAU NAME DRUG ENFORCEMENT ADMINLOCATION DOJ 633 CTX
BAC CODE 000

J 21012

MONTH	DAY	ORIG FIS NRX	ORIG FIS FMT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	29	633	5237	000	350	4825	1006	0001	026
04	15	633	5237	000	350	5483	0917	0002	026
ORIG 04	EXT SUBTOTAL 22	633	5498	2	CALLS FOR 350	3 MINUTES 5318	1544	0002	026
ORIG 04	EXT SUBTOTAL 03	633	5524	1	CALLS FOR 350	2 MINUTES 5045	1546	0003	026
ORIG 04	EXT SUBTOTAL 24	633	5524	000	350	5420	1044	0001	026
ORIG 04	EXT SUBTOTAL 10	633	5629	2	CALLS FOR 350	4 MINUTES 5813	1534	0006	026
ORIG 04	EXT SUBTOTAL			1	CALLS FOR	6 MINUTES			
ORIG 04	NRX SUBTOTAL			56	CALLS FOR	234 MINUTES			
ORIG 04	CODE SUBTOTAL			56	CALLS FOR	234 MINUTES			
ORIG 04	CITY CODE SUBTOTAL			56	CALLS FOR	234 MINUTES			
ORIG 04	BUREAU SUBTOTAL			56	CALLS FOR	234 MINUTES			

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PAGE NO 0036
RUN DATE 08/14/87

J 21013

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1535
BUREAU NAME US ATTORNEYLOCATION DOJ 633 CTX
RAC CODE 000

MONTH	DAY	ORIG FIS NXX	ORIG FIS EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	29	633	1619	000	350	5447	1154	0012	026
04	29	633	1618	000	350	5961	1205	0003	025
04	29	633	1618	000	350	5961	1431	0001	026
ORIG	EXT SUBTOTAL	633	1704	3	CALLS FOR 350	16 MINUTES 5046	1714	0002	026
ORIG	EXT SUBTOTAL	633	2121	1	CALLS FOR 350	2 MINUTES 4471	1350	0001	026
ORIG	EXT SUBTOTAL	633	2123	1	CALLS FOR 350	1 MINUTES 5447	0903	0001	026
ORIG	EXT SUBTOTAL	633	3276	1	CALLS FOR 350	1 MINUTES 4467	1251	0002	026
ORIG	EXT SUBTOTAL	633	3283	1	CALLS FOR 350	2 MINUTES 5401	1659	0016	026
ORIG	FAT SUBTOTAL	633	3285	1	CALLS FOR 350	16 MINUTES 4253	1556	0002	026
ORIG	EXT SUBTOTAL	633	3939	1	CALLS FOR 350	2 MINUTES 5934	1650	0022	026
ORIG	EXT SUBTOTAL	633	3987	1	CALLS FOR 350	22 MINUTES 5418	1557	0011	026
ORIG	EXT SUBTOTAL	633		1	CALLS FOR 350	11 MINUTES			

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PAGE NO 0037
RUN DATE 06/14/87

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICE

BUREAU CODE 1535
BUREAU NAME US ATTORNEY

LOCATION DDJ 633 CTX

BAC CODE 000

PAGE NO 0038
RUN DATE 06/14/87

770

MONTH	DAY	ORIG FITS NRX	ORIG FITS EXT	DEST AREA CODE	DEST NRX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	23	633	4023	000	350	4026	1126	0004	026
04	17	633	4023	000	350	5403	1656	0007	026
ORIG	FXT	SUBTOTAL		2	CALLS FOR	11 MINUTES	1120	0001	026
04	15	633	4105	000	350	5044			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES	1024	0024	026
04	17	633	4660	000	350	4747			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	24 MINUTES	1240	0002	026
04	04	633	4661	000	350	4747	1118	0001	026
04	15	633	4661	000	350	5811	1020	0001	026
04	29	633							
ORIG	EXT	SUBTOTAL		3	CALLS FOR	4 MINUTES	1110	0003	026
04	22	633	4662	000	350	4747			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	3 MINUTES	1454	0002	026
04	09	633	4723	000	350	5046	1520	0001	026
04	21	633				6824			
ORIG	EXT	SUBTOTAL		2	CALLS FOR	3 MINUTES	1445	0001	026
04	03	633	4724	203	350	3191			
ORIG	EXT	SUBTOTAL		1	CALLS FOR	1 MINUTES	1338	0009	026
04	16	633	4838	000	350	5242	1628	0014	026
04	16	633	4838	000	350				

UNCLASSIFIED

UNCLASSIFIED

J09 NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1535
BUREAU NAME US ATTORNEYLOCATION
BAC CODE DOJ 533 CTX
000

MONTH	DAY	ORIG FTS EXT	ORIG FTS EXT	DEST AREA CODE	DEST NRX	DFST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	19	633	4838	000	350	5242	1047	0018	026
04	15	633	4838	000	350	5446	1337	0001	026
04	16	633	4838	000	350	5927	1610	0008	026
ORIG	EXT SUBTOTAL	633	4839	5	CALLS FOR 350	50 MINUTES 5927	1109	0002	026
ORIG	EXT SUBTOTAL	633	4869	1	CALLS FOR 350	2 MINUTES 4425	0905	0002	026
ORIG	EXT SUBTOTAL	633	4903	1	CALLS FOR 350	2 MINUTES 4425	1424	0004	026
04	22	633	4903	000	350	4425	1601	0002	026
04	30	633	4903	000	350	4425	1520	0004	026
ORIG	EXT SUBTOTAL	633	4928	3	CALLS FOR 350	10 MINUTES 4917	1227	0001	026
ORIG	EXT SUBTOTAL	633	4928	000	350	5654	1410	0009	026
ORIG	EXT SUBTOTAL	633	4929	2	CALLS FOR 350	10 MINUTES 5215	1046	0001	026
ORIG	EXT SUBTOTAL	633	4967	1	CALLS FOR 350	1 MINUTES 5418	1730	0002	026
04	14	633	4967	000	350	5418	1734	0002	026
04	29	633	4967	000	350	6824	1550	0001	026
ORIG	EXT SUBTOTAL	633		3	CALLS FOR	5 MINUTES			

UNCLASSIFIED

UNCLASSIFIED

PAGE NO 0039
RUN DATE 08/14/87

JOB NUMBER 001

AMA RECORDED MESSAGE REPORT

AGENCY CODE 1500
AGENCY NAME JUSTICEBUREAU CODE 1535
BUREAU NAME US ATTORNYLOCATION GSA WASH 633
BAC CODE 000

J 21016

MONTH	DAY	ORIG FIS NXX	ORIG EXT	DEST AREA CODE	DEST NXX	DEST EXT	CONNECT TIME	LENGTH OF CALL	CITY CODE
04	17	633	5563	000	350	5008	1139	0002	026
ORIG EXT SUBTOTAL	1	CALLS FDR	2	MINUTES					
ORIG NXX SUBTOTAL	39	CALLS FDR	202	MINUTES					
BAC CODE SUBTOTAL	39	CALLS FDR	202	MINUTES					
CITY CODE SUBTOTAL	39	CALLS FDR	202	MINUTES					
BUREAU SUBTOTAL	39	CALLS FDR	202	MINUTES					
AGENCY GRAND TOTAL	303	CALLS FDR	1419	MINUTES					

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PAGE NO 0040
RUN DATE 08/14/87

END OF REPORT

772

UNCLASSIFIED

Chapter
J 19445 5-58

58

man named Evangelio Fenjol told him that the plane carried many machine guns, automatic rifles, several mortars and grenades. Mr. Ortega also stated that his brother had been wounded by a grenade during a November 1985 raid on Pueblo, Nicaragua. Mr. Ortega said that his brother died a short time later.

At present, we have corroborated that Raul Ortega, Rene Corvo, and others flew to [REDACTED] on June 13, 1985 aboard a private cargo aircraft. ^{13/} However, we have no independent evidence that something other than clothing was on board that flight. We may be able to obtain some information in this respect from the members of the flight crew and Fenjol. We have yet to interview these individuals.

CONCLUSION

To date, the evidence gathered does not substantiate Garcia's claim that Tom Posey and others conspired to assassinate U.S. Ambassador Lewis Tambs. However, the evidence does suggest that in late 1984 and early 1985 the CMA and Rene Corvo actively recruited mercenaries in the United States. These men were later sent [REDACTED] to train and/or fight with anti-Sandinista contras. The evidence also suggests that in 1981, Raul Arana shipped weapons to the contras from South Florida.

^{13/} See Appendix B. In addition to proving that Corvo and Ortega were on the flight, the Customs's documents also prove that the June shipment was made with the same plane as the March shipment. Although the pilot in June was different, Daniel Vasquez Jr. co-piloted both flights. Daniel Vasquez Jr. is the son of Daniel Vasquez Sr., the man who chartered the plane for Corvo in both March and June.

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Pages 19 and 20

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1/20/88

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J 19450

However, there is insufficient proof at this time to conclude that weapons were ~~infact~~ aboard the March 6, 1985 and June 13, 1985 flights. Further investigation may prove these allegations to be correct.

The FBI has requested that we begin a grand jury investigation into the activity described in this memo. The Bureau believes that a grand jury is necessary for several reasons. First, it would dispell claims that the Department of Justice has not aggressively pursued this matter. Second, a grand jury would eliminate some of the deception they believe they have encountered during their interviews with Jesus Garcia, Daniel Vasquez Sr., Ronald Boy, and Max Vargas. Finally, the grand jury would give the Department of Justice access to Costa Gun Shop's business records and CANAC's bank records.

We have sufficient evidence to begin a grand jury investigation. I believe that a grand jury investigation would ultimately reveal criminal activity including gun running and neutrality violations. ~~However, due to the political nature of this case, I am not sure whether such violations could be successfully prosecuted in South Florida.~~

I concur that we have sufficient evidence to initiate a grand jury investigation into the matter decided here.

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5-69

File: 88P06

WHITE HOUSE COMMUNICATIONS AGENCY

TOP SECRET

Cable 5 #69193

A Presidential call memo has been prepared, and after such wrangling w/ Ray, I have concurred. The problem w/ the [redacted] case is that [redacted] was the man with whom [redacted] (Gorman, Claridge, [redacted] and [redacted] worked out arrangements).

[redacted] was assigned [redacted] was doing on our behalf. Subsequent to the [redacted] had at one point [redacted] who it turns

last year was invited to meet w/ a group of disaffected [redacted] When the FBI broke the case out [redacted] was indicted for conspiracy. His legal advice was apparently to keep his mouth shut and everything wd be worked out. Although [redacted] was prepared for Gorman, Claridge, [redacted] and [redacted], they were never issued because [redacted] pleaded guilty (on advice of counsel).

[redacted] to start serving sentence [redacted] He apparently still believed up until yesterday that he wd be going to the minimum security facility [redacted] for a short period (days or weeks) and then walk free. [redacted] had intended to do something and he now wants an answer.

THE major concern - Gorman, North, Claridge - is that when [redacted] finds out what is really happening to him, he will break his longstanding silence about the [redacted] resistance and other sensitive operations. Gorman, Claridge, [redacted] Howell, [redacted] and Abrams will [redacted] cabal quietly in the morning to look at [redacted] pardon, clemency, deportation, reduced sentence. Objective is to keep [redacted] from feeling like he was lied to in legal process and start spilling the beans. Will advise [redacted].

88P 0608: 88P06 --CPWA
70: 88P06 --CPWA

70: 88P06 --CPWA

09/17/86 10:04:36

JMR 3/17/86

Partial Declassification Authority: 1/20/88
Under provisions of E.O. 12958
by 82-750-1000-1000-1000-1000

UNCLASSIFIED

82-750 775

4329

TOP SECRET

Chapter

5-70 : 70

Memorandum



J 4627

Subject

 Requests by [REDACTED]
 for Leniency for [REDACTED]

Date

SEP 30, 1986

JLM:TEM:EJW:JCM:cmc

To

 William F. Weld
 Assistant Attorney General
 Criminal Division

From

 John L. Martin, Chief
 Internal Security Section
 Criminal Division

This memorandum is in response to your request that we determine whether any law enforcement or national security interests would be furthered by the early release, or outright pardon, of [REDACTED] who is scheduled to begin serving [REDACTED] sentence [REDACTED] 1986. Our discussions of this matter with Roger Yochelson of the Office of International Affairs, and Assistant United States Attorney [REDACTED] as well as our limited review of the file, indicate that the Government would obtain no benefits from an abbreviation of [REDACTED] already lenient sentence. The facts are as follows.

[REDACTED] were indicted
 on charges [REDACTED]

[REDACTED] to assassinate [REDACTED]

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- 2 -

J 4628

[REDACTED]

Our review indicates that the Government has been very lenient in this case. [REDACTED] was allowed to plead guilty to two counts, thereby avoiding almost certain conviction on the entire [REDACTED] indictment, which would have exposed him to [REDACTED] incarceration. In addition, the Government waived its right to seek consecutive terms, paving the way for the eventual sentence of two concurrent five-year terms. In view of the serious crimes involved, any further leniency would create a wide discrepancy between the nature of his offenses and the prescribed punishment. It should also be noted that [REDACTED] is not needed to testify in the prosecution of [REDACTED] nor does that prosecution involve classified information which [REDACTED] or [REDACTED] could threaten to disclose publicly during the trial.

In sum, no law enforcement or national security interests would be served by extending additional clemency to [REDACTED]. To the contrary, the law enforcement equities here strongly favor [REDACTED] serving a sentence commensurate with his crimes.

[REDACTED]

These political and foreign policy concerns are vague, ambiguous and not clearly articulated. In the absence of a coherent statement of the foreign policy stakes, we see no reason to recommend that you overrule the United States Attorney.

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5-72

Chapter 5, Footnote 72 J 4617

CONFIDENTIAL**UNCLASSIFIED**

THIS IS A COVER SHEET

FOR

INFORMATION SUBJECT TO

Basic security requirements contained in Department of Justice Regulations (28 CFR Part 17).

The unauthorized disclosure of the information contained in the attached document(s) could reasonably be expected to cause damage to the national security.

Handling, storage, reproduction and disposition of the attached document(s) will be in accordance with policies and procedures set forth in regulations cited above.

UNCLASSIFIED*hold -**rather**4334***CONFIDENTIAL**

DRAFT

J 4618

.7293C

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4/24/86 EXT. [REDACTED]
 ARA:JHNMICHEL

ARA:WGWALKER
 L:MKOZAK
 FBI:OBREVELL
 P:WWOOD S/S:

ARA/CEN:RHMELTON
 DOJ:STROTT
 NSC:ONORTH/RBURGHART
 S/S-O:

IMMEDIATE [REDACTED]

PRIORITY [REDACTED]

EXDIS -- [REDACTED] LEGAL ATTACHE

E.O. 12356: DECL: OADR

TAGS: [REDACTED] PREL, PINS

SUBJECT: BACKGROUND AND STATUS OF [REDACTED]

REF: [REDACTED]

JHM
 SGW
 UGW
 RHM

4334

1. CONFIDENTIAL -- ENTIRE TEXT.

2. THE FOLLOWING REVIEW OF RECENT DEVELOPMENTS IN THE
 [REDACTED] IS PROVIDED FOR YOUR INFORMATION AND TO
 DRAW UPON IN DISCUSSIONS [REDACTED] AND OTHERS
 AS APPROPRIATE.

A) IN [REDACTED] TRAVELLED TO THE U.S. AND
 SURRENDERED TO U.S. AUTHORITIES.

[REDACTED] WAS
 ARRAIGNED [REDACTED] UNDER "MURDER FOR HIRE" STATUTES,
 WITH TOTAL PRISON EXPOSURE OF [REDACTED] HE FORMALLY
 WAIVED THE RIGHT TO A SPEEDY TRIAL AND WAS RELEASED ON
 HIS OWN RECOGNIZANCE.

B) IN [REDACTED] 1986, THE DEFENSE ATTORNEY INITIATED A

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DRAFT

J 4619

CAMPAIGN IN WASHINGTON TO SECURE FAVORABLE TREATMENT FOR

[REDACTED]

WAS SCHEDULED TO ENTER A PLEA ON

[REDACTED]

D) [REDACTED] ATTORNEY ARRANGED FOR THE [REDACTED] HEARING TO BE
 POSTPONED UNTIL [REDACTED] CITING THE CLEMENCY REQUEST [REDACTED]
 AND
 MAKING THE FALSE ALLEGATION THAT THE STATE DEPARTMENT
 WISHED TO INTERVIEW [REDACTED] BEFORE THE TRIAL.

is the false?

[REDACTED]

E) ON [REDACTED] PLEADED GUILTY TO TWO CHARGES OF
 CONSPIRACY UNDER MURDER FOR HIRE STATUTES. SENTENCING
 WAS SCHEDULED [REDACTED] ALL INDICATIONS POINTED TO A
 CONTINUED DEFENSE EFFORT TO SECURE A MINIMAL SENTENCE BY
 DEMONSTRATING [REDACTED] GOOD CHARACTER AND HIS [REDACTED]

F) ON [REDACTED] WAS SENTENCED TO TWO CONCURRENT
 [REDACTED] PRISON TERMS (STATE 233400). WE UNDERSTAND
 THAT THE DEFENSE MADE A CONCERTED EFFORT DURING THE
 HEARING TO ALLEGE SIGNIFICANT FAVORABLE USG INTEREST IN
 [REDACTED] AND IN THE CASE. [REDACTED] WAS SENTENCED UNDER A
 PROVISION OF THE LAW THAT ALLOWED HIM TO SEEK AN
 IMMEDIATE PAROLE. THE JUDGE RECOMMENDED THAT HE BE
 ALLOWED TO SERVE HIS SENTENCE AT [REDACTED]
 IN APPARENT RESPONSE TO THE DEFENSE'S FOCUS ON ALLEGED
 USG INTEREST IN [REDACTED] THE JUDGE NOTED THAT [REDACTED] COULD
 CONTINUE TO SEEK EXECUTIVE BRANCH ACTION (E.G., PARDON OR
 PAROLE) IF HE SO DESIRED. (THE DEFENSE HAS DEPICTED THE
 JUDGE'S STATEMENT AS HIS ENDORSEMENT OF EXECUTIVE BRANCH
 ACTION.) [REDACTED] WAS ORDERED TO SURRENDER TO PRISON
 AUTHORITIES NOT LATER THAN [REDACTED]

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J 4620

G)

H) SINCE THE SENTENCING, THE DEFENSE ATTORNEY HAS ACTIVELY LOBBIED -- [REDACTED] IN WASHINGTON -- FOR USG INTERVENTION ON [REDACTED] BEHALF. OPTIONS PROPOSED BY THE DEFENSE ATTORNEY INCLUDED EXECUTIVE CLEMENCY, A FINDING OF DIPLOMATIC IMMUNITY, USG INTERVENTION TO ARRANGE IMMEDIATE PAROLE, AND FURLOUGH TO SERVE HIS TERM OUTSIDE A PRISON. TO THE BEST OF OUR KNOWLEDGE, [REDACTED] HAS MADE NO EFFORT TO PURSUE AVAILABLE LEGAL REMEDIES (E.G., PETITIONING THE COURT FOR A REDUCTION OF SENTENCE OR INITIATING ACTION WITH THE BUREAU OF PRISONS TO OBTAIN A PAROLE).

J) THE BUREAU OF PRISONS INITIALLY INSTRUCTED [REDACTED] TO SURRENDER AT [REDACTED] PRESUMABLY IN VIEW OF THE SERIOUS NATURE OF HIS CRIMES. (THE BUREAU OF PRISONS IS NOT BOUND BY THE JUDGE'S RECOMMENDATION REGARDING THE DETENTION FACILITY.) [REDACTED] LOBBYING EFFORTS THEREAFTER FOCUSED ON AVOIDING DETENTION IN A CONVENTIONAL PRISON.

3. STATUS:

-- THE JUDGE HAS AGREED TO DEFER UNTIL [REDACTED] THE DATE FOR [REDACTED] TO BEGIN SERVING HIS SENTENCE.

-- THE DEPARTMENT OF JUSTICE HAS AGREED TO RECOMMEND TO THE BUREAU OF PRISONS THAT [REDACTED] BE ALLOWED TO SERVE HIS SENTENCE AT THE MINIMUM SECURITY FACILITY [REDACTED]

-- [REDACTED] ATTORNEY INDICATES THAT HE NOW WILL ATTEMPT TO PERSUADE THE PAROLE COMMISSION TO AGREE TO AN EARLY RELEASE ("ZERO TO TEN MONTHS").

4.

[REDACTED] SUCH USG ACTION ON [REDACTED] BEHALF WOULD NOT BE CONSISTENT WITH OUR OPPOSITION TO INTERNATIONAL TERRORISM (E.G., THE INTENDED ASSASSINATION [REDACTED] AND COULD COMPLICATE STILL-PENDING PROSECUTION OF OTHER DEFENDANTS IN THIS CASE. MOREOVER, WE BELIEVE THAT U.S. CREDIBILITY WOULD BE POORLY SERVED BY ANY ACTION WHICH MIGHT SUGGEST THAT [REDACTED] CAN VIOLATE THE LAW WITHOUT [REDACTED]

not serve
sentence?

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- J 4621

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FEAR OF PUNISHMENT.

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5-73

File: 58P36

WRITE HOUSE COMMUNICATIONS AGENCY

TOP SECRET

Copley #69192

N 12602

A Presidential call memo has been prepared, and after much wrangling w/ Day, I have concurred. The problem w/ the [redacted] case is that [redacted] was the one with whom Negroponte, Gorman, Claridge and I worked out arrangements.

[redacted] was assigned [redacted] was doing on our behalf. Subsequent to the [redacted] and at one point [redacted] who it turns

Last year was invited to meet w/ a group of distinguished [redacted] When the FBI broke the case out into plotting the assassination, his legal advice was apparently to keep his mouth shut and everything wd be worked out. Although suspects were prepared for Gorman, Claridge, Negroponte and North, they were never charged because [redacted] pleaded guilty (on advice of counsel).

[redacted] is due to report [redacted] He apparently still believes my unit yesterday that he wd be going to the [redacted] security facility [redacted] for a short period (days or weeks) and then walk free. [redacted] has indicated [redacted] to do something and he now wants an answer.

OUR major concern - Gorman, North, Claridge - is that when [redacted] finds out that is really happening to him, he will break his longstanding silence about the his resistance and other sensitive operations. Gorman, Claridge, Bevell, Trell and Abrams will cabal violently in the morning to look at options: pardon, clemency, deportation, reduced sentence. Objective is to keep [redacted] from feeling like he was lied to in legal process and start spilling the beans. Will advise [redacted]

WJD PROS: NSAPL --CPWA
FO: NSJAF --CPWA

TO: NSJAF --CPWA

09/17/06 18:44:36

JMR 3/179

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TOP SECRET

JMP 3a/78/112

UNCLASSIFIED

1207

[illegible]

NSJMP --CPNA TO: NSOLN --CPNA
TO: NSOLN --CPNA

*** reply to note of 09/17/06 19:28

NOTH PLON: JOHN POINDESTER

Subject: [REDACTED]
You may advise all concerned that it is possible to settle this matter.

MSG FROM: NSOLN --CPUA
TO: NSJ42 --CPUA

*** Reply to note of 09/17/86 08:15

NOT: FROM: OLIVER NORTH
Subject:

Edith, Countess of Devon

Under previous No. of 12956
by B. P. ...

U. S. Navy Council

• President will want to be as helpful as

09/17/86 19:28:55

工

N 12604

15

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We need to get that April letter answered. [redacted] can.

cc: NSJPF --CPUA MAY BUCHANAN? NSCLM --CPUA
THOR --CPUA AL KEEL NSNEN --CPUA
Reply to ASCORD
NSJ FROM: NSJNP --CPUA TO: NSOLM --CPUA
TO: NSOLM --CPUA

09/18/86 20:23:30

N 12603

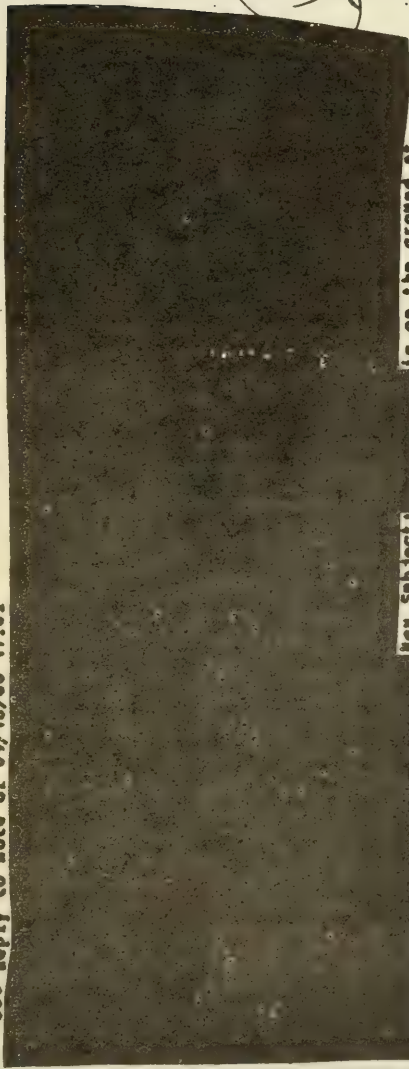
see Reply to note of 09/18/86 19:40 -- SECRET --

NOTE FROM: JONAS FOISBERGER

Subject: President A cona
No I think it is best at this stage that he not meet with any high level
officials. We do not want to appear too anxious.
President A cona

NSJ FROM: NSOLM --CPUA TO: NSJNP --CPUA
TO: NSJNP --CPUA
09/18/86 19:40:49

see Reply to note of 09/18/86 17:02



(469)

5-85

is on the ground at

New Subject:

May 12 1987

UNCLASSIFIED 3474 10

Under provisions of E.O. 12958
by B. Reber, National Security Council

10/1/88

TOP SECRET

CLASSIFIED

Chapter 5

Q 1798

1968 - Meeting w/ Rich Miller, et al.

- These:

- [redacted] should be sure to report all
contacts w/ Lowell- Called Rich today re IRS
investigation into Win Penn
Bank in Phila.

Mr. DeLoach

Requested Mr. DeLoach to know:

1968 - Meeting w/ J. Edgar Hoover

• Confidential sensitivity

• [redacted] CIA officer

Partially Declassified

Released on

1/20/88

under provision

E.O. 12958

by B. Jones

National Security Council

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4331

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28

Q 1858

1020 Call for Dewey B.

- worked for [REDACTED]

- nothing specific

- busy work for [REDACTED]

- Involved w/ [REDACTED]

1535- Call for Rich Miller [REDACTED]

- Abdullah Bin Saud Bin Fahl Bin Saud

- Saudi told him that Sauder is
Saudi's nephew.- Saudi was Minister w/o Portfolio
Rep for Islamic Affairs.

- If Saudi is straight,

Ramon Bin Saud is coming, King is
go for political workwants Saudi to support the King
Saudi's father was King Abdul Aziz

UNCLASSIFIED

4332

Partially Declassified
under provision of E.O. 12958
by B. Rege, National Security Council

MODIFIED

12 Jan

1930

2355

Rich Heller

- Teacher info re hostages
in Beirut

- Jowad used like to help
w/ hostages

4333

- Use his influence to w/ Jowad

- Jowad worked Sultan
to Canadian Govt in
Iran

- Teacher got visa for
Jowad's brother
Prince Abdullah, when
King was here

- [redacted] was in w/ Rich now.

- Man in Philly needs
to hear from Howard

- Man in Philly:
Acting Chief of Base
War from Saudi
Edward M. Hazzel

Dean, Temple Univ.
School of Bus. Admin.

- Needs to hear that Jowad is
Prince of Jiddah
Zorahim Bin Abdul - 8712 Rio Road

UNCLASSIFIED

How declassified: 1. revised in 1997
under pres. sec. of EO 12958
by B. R. P. National Security Council

- [redacted]

5-100

1053

CLASSIFIED AT TIME OF PUBLICATION.

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2053

CLASSIFIED AT TIME OF PUBLICATION.

5-100

3033

CLASSIFIED AT TIME OF PUBLICATION.

UNCLASSIFIED

FEDERAL BUREAU OF INVESTIGATION

F B

2715

(4335)

9/12/85

Date of transcription

RICHARD MILLER, President, International Business Communications, 1525 New Hampshire Avenue, N.W., Washington, D.C. (WDC), telephone (202) 387-3002, advised as follows:

In April, 1985, Prince EBROHIM BIN ABDUL-AZIZ BIN SAUD L-MASOUDY (hereafter the Prince), a self-claimed member of the royal Saudi family, seemingly verified by the publication "Who's Who in Saudi Arabia 1976-77," was the Vice President of the Arab National Bank, Jiddah, Saudi Arabia. Through that position the Prince told MILLER he had determined that MICHAEL ARNOUS and B.A. VAN ELDIK were arranging placement of a 2.5 billion dollar letter of credit for Saudi King FAHD at various banks, including the William Penn Bank, Philadelphia, Pennsylvania. MILLER characterized ARNOUS as a former "gas station owner" always trying to make money in the commodities market who was certainly not sophisticated enough to handle such a transaction. VAN ELDIK is allegedly the Security Chief for Philippine President FERDINAND MARCOS.

From his banking position, the Prince interceded in this transaction as it was illegal for Islamic and Saudi Arabian law for King FAHD to lend Saudi Arabian oil money at the agreed low rate of three percent and then make a fortune on the spread between three percent and the prevailing market rate when the money was reinvested. These actions ultimately placed the Prince afoul of King FAHD and directly relate to current difficulties between the Prince and the William Penn Bank, according to the Prince's account to MILLER.

During initial knowledge of the King FAHD/William Penn transaction, the Prince arranged, through ARNOUS, to meet ANDREW FARNESE, President of William Penn Bank, in Spring, 1985. The Prince maintains to MILLER that FARNESE made the initial offer for the Prince to purchase stock in the bank and the offer was so formalized that attorneys for the Prince were charged with formulating an opinion on the stock purchase. They advised the Prince that the stock offer was both illegal and a bad investment. MILLER opined that it was highly improbable that the Prince would initiate such a complicated transaction as his knowledge of English is limited.

8/27/85

Washington, D.C.

WFO 29A-5504-11

Investigation on

at

File #

by

SA JAMES R. KRANARSIC/smt

8/27/85

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2716

Continuation of interview of

Page

The Prince, apparently at FARNESH's urging, did open an account at William Penn and signed over power of attorney to FARNESH. FARNESH and the Prince became close friends although FARNESH did not know the Prince was working behind the scenes to stop the proposed King FAHD investment.

By air waybill dated April 19, 1985, AL SHARIF MANSOUR ALABDALLAH sent the Prince a check for \$250,000 to the Prince's account at William Penn Bank. This money was owed the Prince by ALABDALLAH for a commodities transaction. The Prince told MILLER about the check and that FARNESH had assured the Prince that the check was a cashiers check. Based on FARNESH's assurances, the Prince directed that the check proceeds be distributed to several persons including his attorney, GARY BAGDASARIAN, the Prince's wife, MONTEREN SHOKAL, and \$40,000 to FARNESH's son who allegedly has cancer. The Prince told MILLER that he has never seen this check and presumes it was endorsed and deposited by FARNESH. MILLER understands that this check cannot be located at William Penn Bank.

Shortly after William Penn Bank allegedly placed ALABDALLAH's check for collection, the Prince told MILLER that King FAHD found out that the Prince had blocked FAHD's 2.5 billion dollar transaction when ALABDALLAH's check at William Penn Bank. MILLER claims the Prince has a nine million dollar balance in that bank. In addition to blocking the Prince's bank account, FAHD allegedly cut off all the Prince's oil contracts and published in Saudi Arabian newspapers that the Prince had committed check forgery at the William Penn Bank.

The Prince, as the Number Two Islamic leader in Saudi Arabia, has the power to jail or even order the execution of any Saudi Arabian citizen. Based on this authority, the Prince ordered the jailing of ALABDALLAH. ALABDALLAH was eventually able to gain release through the intercession of FAHD when ALABDALLAH went before an Islamic judge and denied forging this check.

Because the Prince no longer has access to his Saudi Arabian money and can only return to Saudi Arabia under the threat of jailing or death, MILLER has been assisting the Prince with the William Penn Bank. MILLER has correspondence between himself and the bank in this regard, including a \$25,000 wire transfer receipt representing personal funds of MILLER's placed as good faith to the bank on the Prince's behalf.

During Summer, 1985, the Prince, with MILLER's assistance, has been attempting to put together a European commodities deal to earn money and pay off William Penn Bank. The Prince is supposed to return to the WDC area in early September, 1985.

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Continuation of interview of _____

Page _____

Since the Prince's problems with William Penn Bank, the Prince has received numerous calls from KEVIN KATKE supposedly passing on inside information KATKE obtained from a New York FBI Agent named "COOKIE" or "COCOA." This information allegedly pertains to the fact that the FBI is ready to arrest the Prince if located. MILLER thinks KATKE is using this information as a ruse to arrange commodity deals with the Prince. MICHAEL ARMOOS was introduced to William Penn Bank by KATKE.

KATKE, a self-described "soldier of fortune," is allegedly tied to a New York arms dealer named SULLIVAN. KATKE may also be employed as an agent for King FAHD and may be the conduit between the Prince and FAHD as to the Prince's blocking of FAHD's proposed investment in U.S. banks.

ARNOLD FARNESH told MILLER that he had received three telexes concerning ALABDALLH's check from the Saudi French Bank; the first telex confirmed the legitimacy of the check and full Saudi French Bank responsibility; the second telex confirmed the check but accepted no responsibility; and the third telex sent notice the check was a fraudulent transaction.

MILLER provided the following Xeroxed items:

- pages from the 1976-77 edition of "Who's Who in Saudi Arabia" providing reference to the Prince
- geneological chart for The House of Saud
- air waybill transferring funds from AL SHARIF HANSOUR ALABDALLH to William Penn Bank
- letter dated April 1, 1985 and telex dated April 16, 1985 allegedly pertaining to placement of funds at William Penn Bank by King FAHD
- documents pertaining to the offer to sell the Prince shares of William Penn Bank
- photo of the Prince.

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10/31/85

TO: SAC, PHILADELPHIA (29A-7374)
 FROM: SAC, WASHINGTON FIELD OFFICE (29A-5504) (RUC) (C-5)

WILLIAM PENN BANK,
 230 SOUTH BROAD STREET,
 PHILADELPHIA, PENNSYLVANIA;
 BF & E (A);
 MF; FBW;
 (OO:PH)

MOUSALREZA EBRAHIM ZADEH, aka
 Et Al;
 BF & E; FBW;
 (OO:SC)

ReSCtel to WFO, dated 9/5/85, and WFO teletype to
 Bureau, dated 9/17/85.

Enclosed for Philadelphia are the original and one
 copy of an FD-302 regarding Washington Field Office (WFO)
 interview of RICHARD MILLER, on 10/23/85. Enclosed for
 Sacramento is one copy of an FD-302 regarding the MILLER
 interview.

For information of Philadelphia and Sacramento, on
 10/23/85, RICHARD MILLER advised that he has current contact
 with MOUSALREZA EBRAHIM ZADEH, aka Ebrahim Al-Masoudy, The
 Prince, et al. Although MILLER has been previously advised
 that ZADEH is an Iranian con man, MILLER is not totally
 convinced that ZADEH is not actually a Saudi Arabian Prince.
 This is exemplified by the fact that, during the week of
 10/14/85, MILLER wired \$2,000 to ZADEH in Switzerland for
 "hotel expenses." However, MILLER stated he would completely

2-Philadelphia (Enc. 2)
 2-Sacramento (29A-2251) (Enc. 1)
 ①-WFO

JRK:pag

(5) pag

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 Indexed
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WFO 29A-5504

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2719

cooperate with the FBI to attempt to lure ZADEH to the U.S., if a warrant were obtained for ZADEH's arrest.

Inasmuch as no investigation remains at WFO, this case is being placed in an RUC status.

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2720

FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 10/31/85

RICHARD MILLER, President, INTERNATIONAL BUSINESS COMMUNICATIONS, 1525 New Hampshire Avenue, N.W., Washington, D.C. (WDC), telephone number 387-3002, advised as follows:

MONIEREH SHOKRI-M, Sacramento, California, is the wife of EBRAHIM AL-MASOUDY, who MILLER believes is a Prince of the Saudi Arabian Royal Family. MILLER and AL-MASOUDY are involved in several personal and business deals, including allegations that AL-MASOUDY passed a fraudulent \$250,000 check at William Penn Bank, Philadelphia, Pennsylvania. MILLER has made contact with officials at William Penn Bank to arrange a pay out on the bad check, which AL-MASOUDY claims was a result of circumstances beyond his responsibility. AL-MASOUDY claims to be a multi-millionaire, but whose funds are blocked in Saudi Arabia due to religious and other difficulties.

Because AL-MASOUDY allegedly does not have access to his money, AL-MASOUDY requested MILLER wire \$7,000 to SHOKRI-M for household expenses. MILLER complied and wired personal funds to SHOKRI-M, on July 30, 1985, from the National Bank of Washington, WDC. In addition, DAVID WILLIAMS, a childhood friend and financial partner of MILLER's, wired \$11,000 to SHOKRI-M, on August 8, 1985, at MILLER's request and for the same purpose.

MILLER acknowledged information available to him to indicate AL-MASOUDY was a fraud, but MILLER has some confidence in AL-MASOUDY, to the extent that MILLER wired AL-MASOUDY, in Switzerland, \$2,000 during the week of October 14, 1985, at the request of AL-MASOUDY. AL-MASOUDY said he needed the money for hotel expenses to continue working on ongoing projects between himself and MILLER.

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Investigation on 10/23/85 at Washington, D.C. File # WFO 29A-5564
 by SA JAMES R. KRAMARSIC:pag Date dictated 10/23/85

Chapter 5,

5-108

18

FORMS.TEXT HAS 1 DOCUMENT

INBOX.5 (#7111)

TEXT:

VZCZCWFO013

RR HQ

DE WF 0013 1361744

ZNY SSSSS

F 161739Z MAY 86

FM: SAC, WASHINGTON FIELD OFFICE

(P) (CI-9)

TO: DIRECTOR, FBI

ROUTINE

ATTN: INTD

BT

~~SECRET~~

RUF11, FCI-NU; OO:WFO

ALL PORTIONS OF THIS COMMUNICATION IS CLASSIFIED "SECRET."

REFERENCE CONFERENCE BETWEEN WFO AGENTS AND DEPUTY

ASSISTANT DIRECTOR PARKER AND UNIT CHIEF EGBERS ON MAY 9 AND

MAY 12, 1986. THESE CONFERENCES CONCERN THE POSSIBILITY

OF AN ACTIVE MEASURES PROGRAM BEING DIRECTED AGAINST LIEUTENANT
COLONEL OLIVER NORTH.

DE-195

NORTH WAS CONTACTED BY WFO AGENTS ON 5/9/86 CONCERNING

COMMENTS HE HAD MADE TO ASSISTANT DIRECTOR REVELL. DURING

THIS CONTACT NORTH PROVIDED BACKGROUND INFORMATION AND THE

DATES OF INCIDENTS DIRECTED AGAINST HIMSELF WHICH HAD TAKEN

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4340

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PAGE TWO DE WF #0013

PLACE PRIOR TO CONTRA AID VOTES ON CAPITOL HILL.

IN DETERMINING THE CORRELATION OF THESE INCIDENTS, WHO HAS
TO DATE CONTACTED CONGRESSIONAL AFFAIRS FBIHQ (GARY
BELAIR) FOR DATA ON CONTRA AID VOTES WHICH HAVE TAKEN F B 2984
PLACE ON CAPITOL HILL SINCE JULY, 1985. WFO ALSO RECONTACTED
NORTH, 14 MAY 86, FOR THE LICENSE NUMBERS OF THE RENTAL
CARS WHICH NORTH STATES WERE USED ON A SURVEILLANCE OF
HIS ACTIVITIES DURING LATE APRIL, 1986. NORTH DID NOT HAVE
THESE LICENSE NUMBERS AT THE TIME OF THE INTERVIEW ON 5/9/86.
WFO HAS ALSO CONTACTED FAIRFAX CRIMINAL INVESTIGATIVE DIVISION
(CID) OFFICER LARRY OLIFF, WHO DEBRIEFED THE NORTH FAMILY AFTER
THE ABU NIDAL THREAT WHICH WAS REPORTED BY CBS NEWS IN THE
RECENT PAST. OLIFF STATED THAT NO FORMAL REPORT WAS MADE BY
HIS OFFICE. WFO HAS ALSO CROSS CHECKED THE CONTACTS OF
[REDACTED] THROUGH IIS WITH THE
NAMES OF INDIVIDUALS PROVIDED BY NORTH. WFO HAS HAD NO
POSITIVE RESULTS CONCERNING THESE CROSS CHECKS TO DATE.

WFO ANTICIPATES CONDUCTING A CORRELATION OF INFORMATION
PROVIDED BY NORTH WITH THE DATES OF CONTRA VOTES PROVIDED
BY CONGRESSIONAL AFFAIRS OFFICE FBIHQ.

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PAGE THREE DE WF #0013

WFO WILL CONTACT AT THAT TIME CIA ANALYST [REDACTED] CIA LANGLEY TO DETERMINE IF THE CIA CAN PROVIDE ADDITIONAL INFORMATION OR CORRELATION CONCERNING THE INCIDENTS INVOLVING NORTH AND AND THE CONTR AID VOTE DATES.

WFO WILL CONTINUE TO CHECK NAMES OF INDIVIDUALS INVOLVED AGAINST [REDACTED] CONTACTS. WFO WILL ALSO CONTACT MIAMI DIVISION FOR BACKGROUND INFORMATION ON JACK TERRELL, AKA COLONEL FLACO (CIVIL MILITARY ASSISTANCE) (CMA) ORGANIZATION. F B

2905

REQUEST OF THE BUREAU.

FBIHQ IS REQUESTED TO APPROVE USE OF CODE-NAME RUFIJI. WFO INDICES NEGATIVE.

THROUGH PUBLIC AFFAIRS OFFICE FBIHQ REQUEST BACKGROUND INFORMATION ON DAVID HALEVY, A REPORTER FOR TIME MAGAZINE.

THROUGH CONGRESSIONAL AFFAIRS OFFICE REQUEST INFORMATION ON SENATORS KERRY, HAMILTON, AND DURENBERGER, CONCERNING COMMITTEES THEY EITHER SIT ON OR HEAD, REGARDING ANY ASSOCIATION THEY MAY HAVE WITH THE CONTRA AID VOTE.

REQUEST FBIHQ CHECK INDICES AND THROUGH CIA CONDUCT A NAME TRACE ON DANIEL X SHEEHAN, OF THE CRISTIC INSTITUTE, WASHINGTON, D.C.

UNCLASSIFIED

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PAGE FOUR DE WF #0013

WFO WILL KEEP FBIHQ APPRISED OF ANY ACTION TAKEN BY
WFO CONCERNING THIS CASE.

C BY: 2327; DECL ON: OADR

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#0013

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Chapter 5 5-109+110 09.11

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TELETYPE (Hand carry)

6/11/86

FROM SAC, WASHINGTON FIELD OFFICE

(C) (CI-9)

TO DIRECTOR, FBI ROUTINE

ATTN: INTELLIGENCE DIVISION, SSA LARRY CORDELL

BT

~~SECRET~~

F B

297

NICARAGUAN ACTIVE MEASURES PROGRAM DIRECTED AGAINST
LIEUTENANT COLONEL OLIVER NORTH/NATIONAL SECURITY COUNCIL;

OO:WFO

ALL MARKINGS, NOTATIONS AND ITEMS OF INFORMATION CONTAINED
 IN THIS COMMUNICATION ARE CLASSIFIED "SECRET" UNLESS OTHERWISE
 NOTED.

RE WFOTEL TO FBIHQ, DATED 5/26/86, CAPTIONED "RUFIJI;
 FCI-NU; OO:WFO".

WFO HAS REVIEWED THE STATUS OF CAPTIONED INVESTIGATION
 AS WELL AS ANALYZED THE INFORMATION PROVIDED BY LIEUTENANT
 COLONEL NORTH AND HAS SUBSEQUENTLY CORRELATED THE INFORMATION

SECRET

2-12-WFO
 3-Bureau

REA:oje
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17 JUL 2 1987

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PAGE TWO DE WF 0028

F B

2971

AGAINST SPECIFIC CONTRA VOTE DATES PROVIDED BY FBIHQ CONGRESSIONAL LIAISON. THROUGH WFO'S INVESTIGATION, IT HAS BEEN DETERMINED THAT THERE IS A DEFINITE ASSOCIATION BETWEEN THE DATES OF THE CONGRESSIONAL VOTES ON CONTRA AIDE TO THE NICARAGUAN REBELS AND THE "ACTIVE MEASURES" BEING DIRECTED AGAINST LIEUTENANT COLONEL NORTH. IN ADDITION TO THE ABOVE, WFO HAS OBTAINED A COPY OF A CIVIL COMPLAINT TAKEN IN THE SOUTHERN DISTRICT OF FLORIDA FILED ON MAY 29, 1986 AND ON REVIEW HAS DETERMINED THAT THE CIVIL COMPLAINT MAY BE YET ANOTHER ACTIVE MEASURES PROGRAM PRIOR TO THE JUNE 19, 1986 CONTRA AIDE VOTE. AS IN THE PAST, THE ACTIVE MEASURES CIVIL SUIT IS DIRECTED AT NORTH, AND SPECIFIC CHARGES IN THE CIVIL COMPLAINT MAY BE DROPPED IF THE CONTRA VOTE FAILS IN THE U.S. CONGRESS. THE CIVIL COMPLAINT NAMES NUMEROUS INDIVIDUALS WHICH ARE PRESENTLY AIDING THE CONTRA EFFORT UNDER COLONEL NORTH'S DIRECTION. THE PURPOSE OF THE CIVIL COMPLAINT MAY BE TO DISCLOSE THE IDENTITY AND METHODS, THROUGH THE USE OF THE U.S. COURT SYSTEM, OF PERSONS IN SUPPORT OF THE CONTRA VOTE. THE ABOVE INFORMATION WITH

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PAGE THREE DE WF 0028 S

RESPECT TO THE CIVIL SUIT IS AN OBSERVATION.

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2979

ON JUNE 3, 1986, WFO MET WITH COLONEL NORTH IN ORDER TO OBTAIN ADDITIONAL INFORMATION WHICH MAY ASSIST IN ADDING MORE INFORMATION OF INVESTIGATIVE VALUE TO REFERENCED COMMUNICATION. AT THIS MEETING NORTH EXPRESSED GREAT CONCERN THAT INFORMATION HE HAD PREVIOUSLY PROVIDED HAD NOT BEEN ACTED UPON BY WFO. IT SHOULD BE POINTED OUT THAT WFO HAD NO SPECIFIC INSTRUCTIONS OTHER THEN THOSE INSTRUCTIONS RECEIVED BY SA DAVID BEISNER IN A MEETING WITH DEPUTY ASSISTANT DIRECTOR PHIL PARKER AND UNIT CHIEF JIM EGBERS. IN THE ABOVE MEETING, WFO WAS TO TAKE NO SPECIFIC INVESTIGATIVE STEPS INTO ALLEGATIONS OF ACTIVE MEASURES DIRECTED AGAINST NORTH.

NORTH EXPRESSED SPECIFIC CONCERN AS TO WHY NO ACTION HAS BEEN TAKEN REGARDING THE FOLLOWING:

1. NO INTERVIEW OF [REDACTED] CENTRAL INTELLIGENCE AGENCY (CIA), IN ORDER TO OBTAIN ANALYTICAL ASSISTANCE AND INFORMATION CONCERNING ACTIVE MEASURES CAMPAIGN.

2. LACK OF CONTACT WITH NATIONAL SECURITY OFFICER FRED COLCOM FOR ANY INFORMATION CONCERNING DRUG CHARGES

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PAGE FOUR DE WF 0028 S E C
LEVELLED AGAINST NORTH.

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3. NO INTERVIEW OF DANIEL SHEEHAN OF THE ^FCHRISTIE ^B
INSTITUTE CONCERNING THE SOURCE OF ALLEGATIONS HE PROVIDED
AGAINST NORTH. 29:0

4. NO CONTACT OR INTERVIEW WITH LEONARD DOWNING OF
THE WASHINGTON POST CONCERNING THREATENING TELEPHONE
CALLS HE ALLEGEDLY RECEIVED FROM LIEUTENANT COLONEL NORTH.

5. NO REVIEW OF ANY CHARGES PLACED BY SENATOR KERRY
AGAINST NORTH, NOR ANY ATTEMPT TO OBTAIN THE INFORMATION
PRESENTLY AT THE DEPARTMENT OF JUSTICE (DOJ) INVOLVING
SENATOR KERRY'S ALLEGATIONS.

6. NO INTERVIEW OR CONTACT OF SENATOR DURENBERGER AND
HAMILTON CONCERNING THE SOURCE OF CHARGES THEY BROUGHT
AGAINST COLONEL NORTH IN AUGUST, 1985.

7. NO INVESTIGATION BEING CONDUCTED WITH THE
METROPOLITAN POLICE DEPARTMENT (MPD) IN ORDER TO CHECK THE
NUMBER OF VANDALISM INCIDENCES ON THE ELLIPSE IN WASHINGTON,
D.C. DURING AUGUST AND SEPTEMBER, 1985, WHEREIN NORTH'S
PERSONAL VEHICLE WAS VANDALIZED. NO EFFORT HAS BEEN

SECRET

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PAGE FIVE DE WF 0028 S

MADE TO DETERMINE IF NORTH'S VEHICLE WAS THE SOLE TARGET
OF ANY VANDALS DURING THAT PERIOD.

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2901

AT THE SAME MEETING, NORTH EXPRESSED FURTHER CONCERN
THAT HE MAY BE TARGETED FOR ELIMINATION BY ORGANIZED CRIME
DUE TO HIS ALLEGED INVOLVEMENT IN DRUG RUNNING IN VIEW OF
THE MURDER ON FEBRUARY 17, 1986 OF A DRUG ENFORCEMENT
ADMINISTRATION (DEA) AGENT STEELE, ON THE DATE PRIOR TO
STEELE'S TESTIFYING AGAINST THE SANDINISTA DRUG INVOLVEMENT.

BASED ON THE ABOVE, AND THE RESTRAINTS PLACED ON WFO
WITH RESPECT TO ANY FURTHER INVESTIGATION, WFO IS PLACING
THIS MATTER IN A CLOSED STATUS FOR THE FOLLOWING REASONS:

ALTHOUGH THE ALLEGATIONS MADE BY LIEUTENANT COLONEL
NORTH MAY BE THE RESULT OF AN ACTIVE MEASURES PROGRAM
DIRECTED PRIMARILY AGAINST THE REAGAN ADMINISTRATION'S
EFFORT TO SECURE 100 MILLION DOLLARS IN MILITARY AIDE TO THE
CONTRA, AND SPECIFICALLY DIRECTED AGAINST LIEUTENANT COLONEL
NORTH, AS THE ADMINISTRATION'S PRINCIPAL AGENT IN SUPPORT
OF THE CONTRA, WFO IS UNABLE TO RESOLVE THE IDENTITY OF THE
ORIGINATOR OF THESE ACTIVITY MEASURES. FURTHER, WFO HAS NO
PREDICATION INTO THIS INVESTIGATION.

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PAGE SIX DE WF 0028 S E C R E T

IF FBIHQ REQUIRES ANY FURTHER ACTION BY WFO, WFO IS
REQUESTING SPECIFICS REGARDING ANY FURTHER INVESTIGATION
AND IS REQUESTING THAT THIS INFORMATION BE SET FORTH ALONG
WITH APPROPRIATE INVESTIGATIVE ASSISTANCE.

CLASSIFIED BY: 2327; DECLASSIFY ON: OADR

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5-112+115 2,115

1

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/86

Vertical Date Stamp: 7/28/86
 by R. [illegible] / [illegible] Security Group

Special Agents (SA) FLOYD H. PLUMMER and GERALD D. PERALTA, JR., conducted a surveillance of Room 5323 at the MARRIOTT HOTEL located on LeJeune Road, and commenced this surveillance at 7:35 a.m. The sole occupant of the hotel room, JACK TERRELL, was observed departing the room at 11:06 a.m., carrying a brown briefcase and small black overnight bag. Other Agents located in the lobby of the hotel advised SA PLUMMER by radio that TERRELL was observed checking out of the hotel and then departing the hotel area in a courtesy bus, apparently traveling to MIAMI INTERNATIONAL AIRPORT. At 11:35 a.m., the regular MARRIOTT maid was observed entering Room 5323 in order to clean it. At this time SA PLUMMER also entered Room 5323 and conducted a search of the various trash receptacles located in the room.

In addition to the various gum wrappers, cigarette butts, cigarette packages deposited in the trash container, a copy of the MIAMI HERALD, morning extra copy, Thursday, July 24, 1986, was found in the trash container. A cursory research of the newspaper indicated that an article had been torn from page 16A of the main section of the newspaper. Another copy of the same edition of this newspaper was obtained and this other copy indicated the torn newspaper article dealt with an opinion by Admiral JOHN POINDEXTER in which he stated that the relationship between the Nicaraguan Contras and Colonel OLIVER NORTH did not violate a congressional prohibition on United States involvement with the rebels.

Two MARRIOTT note pads where observed on a table in the room and appeared to have indented writing upon them. This indented writing appeared illegible to the naked eye. In addition to the two note pads, four pages of MARRIOTT stationery where also obtained and, to the naked eye, appeared to have no indented writing.

The above newspaper, note pads, and stationery, where turned over to the case Agents in this matter.

(4304)

Investigation on 7/26/86 at Miami, Florida
 by SAs FLOYD H. PLUMMER and GERALD D. PERALTA, JR. FHP: [illegible] Date dictated 7/28/86

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NOC 075 03R 0200Z

PP HI

DE NO

P 07 000Z FEB 66

FM NEW ORLEANS [REDACTED] (P)

TO DIRECTOR PRIORITY

BT

~~SECRET~~

ATTENTION: SSA BILL HART, CID-6

INTELLIGENCE ACTIVITIES, IT - IPAN

THIS COMMUNICATION IS CLASSIFIED SECRET IN ITS ENTIRETY.

RE NEW ORLEANS TELETYPE TO DIRECTOR, JAN. 24, 1966, ENTITLED
 JACK REYNOLDS TERRELL, AKA J.R. TERRELL; [REDACTED] CO:
 NEW ORLEANS.

FOR THE INFORMATION OF SSA BILL HART, THE ABOVE REFERENCED
 TELETYPE CONTAINS A SUMMARY TODAY AND BACKGROUND INFORMATION
 REGARDING JACK TERRELL. IT IS REQUESTED THAT A COPY OF RE
 TELETYPE BE OBTAINED IN ORDER THAT CID-6 WILL HAVE A MORE COMPLETE
 UNDERSTANDING OF THIS SITUATION.

UNCLASSIFIED

1. 000-47

Portion of Declassification Report on 1/22/88
 under provisions of E.O. 12958
 by B. Nease, National Security Council

4305

[REDACTED]

Searched	_____
Serialized	_____
Indexed	_____
Filed	_____

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SECRET

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Partial Declassification Order provided by B. Agnew National Security Council
 Based on 4/29/80
 of E.O. 12058

4306

ON FEB. 7, 1979, TERRELL TELEPHONICALLY CONTACTED THE NEW ORLEANS DIVISION OF THE FBI AND IMMEDIATELY NOOK ON THAT DATE HE WAS PHONICALLY CONTACTED BY AN INDIVIDUAL, WHO IDENTIFIED HIMSELF AS A MEMBER OF THE IRANIAN EMBASSY IN MEXICO CITY, MEXICO. [REDACTED] ADVISED TERRELL THAT HE WAS INTERESTED IN BUYING PARTS FOR THE F-14 AND F-15 JET FIGHTERS. HE FURTHER STATED THAT HE WAS INTERESTED IN BUYING TWO SEC-0 (DEFENSE) HELICOPTERS. HE SPECIFIED THAT THESE HELICOPTERS MUST BE ARMED WITH MISSILES, PARTICULARLY AS MANY ANTI-TANK MISSILES AS POSSIBLE. TERRELL ADVISED THIS INDIVIDUAL HE PROBABLY COULD

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PAGE THREE NO [REDACTED] S E C R E T

COME UP WITH THE ABOVE MENTIONED MERCHANDISE, BUT THAT HE DID NOT
WANT TO DISCUSS IT OVER THE PHONE AND WISHED TO CALL ON [REDACTED]
AT THE IRANIAN EMBASSY. TERRELL WAS TOLD THAT HE WOULD BE RE-
CONTACTED TELEPHONICALLY IN THE FUTURE.

TERRELL FURTHER ADVISED THAT HE IS LEAVING ON TUESDAY,
FEB. 11, 1986, FOR COSTA RICA AND WILL PROBABLY BE GONE A WEEK
TO TEN DAYS. HE DOES NOT KNOW WHETHER HE WILL BE CONTACTED WHILE
HE IS IN COSTA RICA OR NOT.

TERRELL WAS ADVISED IN DETAIL OF THE FACT THAT HE MAY NOT
CONSIDER HIMSELF TO BE EMPLOYED BY CP CONNECTED WITH THE UNITED
STATES GOVERNMENT IN ANYWAY AT THIS TIME. HE WAS TOLD THAT THE
FBI WILL BE HAPPY TO RECEIVE ANY INFORMATION WHICH HE WISHES TO
GIVE, BUT THAT HE WOULD NOT BE ISSUED ANY INSTRUCTIONS OR HAVE
ANY REQUIREMENTS LEVIED UPON HIM BY THE FBI.

FEINQ IS EXPEDITIOUSLY REQUESTED TO RUN A NAME CHECK ON
[REDACTED] THROUGH CIA AND FEINQ INDICES. IT IS REQUESTED
THAT CONSIDERATION BE GIVEN TO CONTACTING LEGAT MEXICO CITY
REGARDING THIS MATTER.

C - G-3, D - OADR

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UNCLASSIFIED

MEETING
7/18/86

UNCLASSIFIED

The following individuals were in attendance at a meeting held in the SAC's Office, on 7/18/86:

SAC Dana Caro
ASAC Dave Binney
ASAC Danny Coulson
ASAC Joe Johnson
SSA Billy Spellings (TSS)
SSA Al Witzgall (CI-16)
SA Mike Bechaud (CI-9 Primary Relief)
SA Ellen Glasser (C-8) (Case Agent)
SA Gary Harter (CI-16)
SA Fred Vichich (SOG)
AOSM Linda King
Ms. Patti Gvozdoch (ASAC-C Secretary)

The following subjects were discussed at this meeting regarding [REDACTED]

Surveillance

It was discussed that we need full-time SOG coverage on Terrell. SOG and SSG will work this together. [REDACTED]

H

Partially Declassified; Date: 1/22/86
Under provision of E.O. 12958
by B. [REDACTED] National Security Council

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PM - WASH. FIELD OFFICE

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MP

-6

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SAC Caro tasked AOSM King with arranging for overtime for SSG. He wants no problems from FBIHQ regarding this matter and advised AOSM King to have FBIHQ contact him if there is a problem with our receiving this overtime.

Robinnette

It was discussed that we are having problems with Robinnette being under surveillance. SA Glasser talked with him on the telephone, and he stated that he knew he was being surveilled and questioned her as to whether he was being surveilled by the "good guys or bad guys." He gave her tag numbers and car descriptions, and SA Glasser is checking this out with SSG.

When EAD Buck Revell called North, it was apparent that Robinnette was there.

SA Glasser stated that SA Ray Jechorek was pursuing checks on Robinnette (credit, criminal, agency, etc.) ASAC Binney suggested that a Dunn and Bradstreet check be done on Robinnette's company. It was determined that an indices check had not been done on Robinnette.

Sampson and Cordero

SSG will cover Sampson and Cordero, [REDACTED] SA Roybal stated that Sampson lives in Bethesda, and he is unsure where Cordero lives.

Ollie North

SAC Caro inquired as to whether we have pictures of Ollie North. It was determined that we do not have an actual file on North; therefore, no pictures.

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Memorandum

UNCLASSIFIED



To : SAC, WFO [REDACTED] (P) (C-8)

Date 7/18/86

From : SA STEPHEN A. MCCOY

Subject : JACK REYNOLDS TERRELL, AKA
COLONEL PLACO;
[REDACTED]

OO:WFO

~~SECRET~~

This communication is classified "Secret" in its entirety.

On 7/18/86, SA STEPHEN A. MCCOY reviewed a CBS Evening News Broadcast tape, dated 7/14/86, which included a brief segment on OLIVER NORTH. NORTH was identified as a staff member with the National Security Council (NSC) and was further alleged to provide liaison between the White House and the "Contras" fighting the Nicaraguan Government. The segment on NORTH followed a CBS overview of:

- 1) The history of U.S. Government aid to the "Contras"
- 2) The suspension of U.S. aid to the "Contras" following disclosure of alleged CIA and "Contra" improprieties,
- 3) The recent legislative aid package approved for the "Contras" and
- 4) The past efforts of intermediaries (both private and government) to funnel aid to the "Contras."

Regarding the latter point, NORTH was alleged to have been involved in circumventing the previous congressional ban on aid to the "Contras."

A "file film" picture of NORTH was shown during the broadcast, from which a "freeze frame" photograph was obtained.

The CBS broadcast did not make any references to captioned subject or to any other individuals known to be involved in captioned matter.

~~SECRET~~

Classified by: G-3
Declassify on: OADR

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SEARCHED	INDEXED
SERIALIZED	FILED
JUL 18 1986	
FBI - WASH. FIELD OFFICE	

(2-WFO)

SAH:cjcq
(2)

4308

C.M.A:
Civilian Military Assistance
 208 Lucille Drive, S.W.
 Decatur, Alabama 35603

June 27, 1986

Colonel Olive North
 White House
 National Security Council
 Washington, D.C. 20301

UNCLASSIFIED

Dear Sir:

Why was the idea of helping the Freedom Fighters by the private sector taking away from us?

As you know CMA started in 1983, with the first deliveries of humanitarian-aid to the FDN in January 1984. Up to-date we have collected only from supporters \$35,000.00, we have delivered over \$4 million in supplies to the Freedom Fighters in the North and South of Nicaragua.

We have asked for assistance repeatedly from Gen. Singlab and one other, but the only thing we have received are our phone bills, for our efforts. The rest of the monies for our expenses have come out of our own pockets.

Repeatedly, we asked, horse-traded, and begged for supplies for Freedom Fighters. We can not help but notice the un-limited expense accounts and salaries for Johnny come lately with brown noses.

We, of CMA, are not asking for nor are we begging, for a living just what is fair.

Per Capitol dollar, what we have spend for supplies compared to others, we have stretched that dollar so thin that it looks like a helmet-band.

We have taken verbal abuse from news-media and co-hearts of other organizations for 2 reasons":

1. We were NCO's
2. Not rich

~~Excluded from automatic downgrading and declassification~~
 Under provision of E.O. 12065
 Excluded from automatic downgrading and declassification

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we have been verbally abused but took it, about things we had no control over nor initiated. we are not cry-babys.

We have watched others collect hundreds of thousands, not one penny going to supplies. They get to see the President, we don't even get Thank You. we have collected supplies and loaded some to go south that others took credit for to raise more money for themselves.

A quick run down on what we have done for Freedom Fighters besides \$4 million (wholesale)

we have developed personal relationships with FDK leadership in the field.

we have loaded every plane out of New Orleans (50+)

we have traveled over 200 thousand miles, Logged in 3 years 50 thousand man-hours.

I, personally have spend over \$50 thousand dollars.

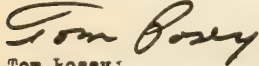
Have lost 2 close friends.

Have gained more selfrespect for myself and members.

Have lost respect for some so-called leaders of democracy because of attitude of "I want to be the boss".

I realize this letter may fall on deaf ears or blind eyes, think of yourself as a Marine Corp Officer--Up-holding Marine Corp standards, of taking care of your man.

Sincerely your friend in freedom,



Tom Posey
Former U S Marine Corp Corporal
Director of CMA

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Partial Declassification Authority
 Order promulgated by E.O. 12344
 by B. Jagan, National Security Council
 1/20/86

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FM: WFO [REDACTED] (C-8) (P)
 TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL
 CRIMES UNIT, CI-2/INTELLIGENCE DIVISION) IMMEDIATE
 FBI, ALEXANDRIA IMMEDIATE
 FBI, BIRMINGHAM IMMEDIATE
 FBI, HOUSTON [REDACTED] IMMEDIATE
 FBI, MEMPHIS IMMEDIATE

G [REDACTED]
 FBI, NEW ORLEANS [REDACTED] IMMEDIATE
 ET

~~SECRET~~ SECTION 1 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL FLACO, NEUTRALITY MATTER -
 POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED
 7/15/86; OO: WFO

RE WFO TELCALLS TO SSA RON KLEIN BY SSA DUNEAR, WFO 7/17/86;
 WFO MEETING WITH JOHN SCHIEBER AT FBIHQ, 7/17/86; WFO TELCALLS

(2) WFO

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 (2)

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[REDACTED]

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PAGE TWO DE WF #0001

SECRET

TO MIAMI, NEW ORLEANS, MEMPHIS, DATED 7/17/86; NO TEL TO
DIRECTOR, DATED 4/11/86.

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[REDACTED] AND "JACK REYNOLDS TERRELL, [REDACTED]

OO: NEW ORLEANS" [REDACTED]

X

BACKGROUND INFORMATION REGARDING PRIOR CONTACTS BY TERRELL
WITH THE FBI THROUGH THE PERIOD 1/84-4/84 ARE OUTLINED IN
DETAIL IN REFERENCED NEW ORLEANS TELETYPE DATED 4/11/86.
TERRELL, A FORMER MEMBER OF THE CIVILIAN MILITARY ASSISTANCE
(CMA), AN AMERICAN PARAMILITARY GROUP, PROVIDED INTERVIEWERS
WITH EXTENSIVE DETAILED INFORMATION REGARDING EVENTS OCCURRING
IN NICARAGUA IN 1984 AND 1985; TAPE RECORDINGS OF CONVERSATIONS

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BETWEEN HIMSELF AND MEMBERS OF THE IRANIAN EMBASSY IN MEXICO CITY AND THE NICARAGUAN EMBASSY IN WASHINGTON, D.C. AND A MANUSCRIPT OF A BIOGRAPHY HE WAS GHOST-WRITING. IT WAS LATER CONCLUDED THAT TERRELL'S INFORMATION WAS EITHER THE RESULT OF HEARSAY AND ASSOCIATION, OR FABRICATION. BECAUSE TERRELL DISPLAYED AN OUTSPOKENNESS WITH ALL AGENCIES HE HAD BEEN IN CONTACT WITH, I.E. FBI, DEA, CIA, AND THE MEDIA, NEW ORLEANS FELT NO CONTINUED RELATIONSHIP WITH TERRELL COULD BE CARRIED ON IN CONFIDENCE AT THAT TIME. TERRELL LEFT THE NEW ORLEANS AREA IN APRIL, 1986, IN A MYSTERIOUS MANNER, WHEREABOUTS UNKNOWN, AND BEFORE INSTANT DATE ALL INVESTIGATION WAS AT A STANDSTILL.

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SECRET

SECRET SERVICE WAS BRIEFED AND ADVISED THAT THEY WOULD COORDINATE AN INVESTIGATION WITH FBI, WFO, REGARDING A THREAT TO PRESIDENT REAGAN. SECRET SERVICE WAS ADVISED AND UNDERSTOOD THAT WFO'S SOURCES SHOULD BE AFFORDED THE GREATEST SECURITY IN ORDER NOT TO COMPROMISE THEM.

SUBSEQUENT MEETINGS TOOK PLACE AT FBIHQ ON 7/17/86 INVOLVING WFO AND DIVISION 5 AND 6 PERSONNEL IN WHICH A DECISION WAS REACHED THAT WFO WOULD OPEN THIS MATTER AS A NEUTRALITY ACT CASE, WITH WFO AS OFFICE OF ORIGIN. WFO WILL COORDINATE ALL INVESTIGATION, KEEPING USSS AND FBIHQ'S DIVISION 5 AND 6 APPRISED AND SETTING OUT LEADS ACCORDINGLY.

IN ATTEMPTS TO LOCATE JACK TERRELL, FBIHQ WAS ALERTED BY OFFICIALS WITHIN THE NATIONAL SECURITY COUNSEL (NSC) THAT TERRELL WAS CURRENTLY IN THE WASHINGTON METROPOLITAN C BY G-3; D ON OADR

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FM: WFO [REDACTED] (C-8) (P)

TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL
CRIMES UNIT, CI-2/INTELLIGENCE DIVISION) IMMEDIATE

FBI, BIRMINGHAM IMMEDIATE

FBI, HOUSTON [REDACTED] IMMEDIATE

G FBI, MEMPHIS IMMEDIATE

[REDACTED]
FBI, NEW ORLEANS [REDACTED] IMMEDIATE

BT

SECRET SECTION 2 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL FLACO, NEUTRALITY MATTER-
POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED
7/15/86; OO: WFOAREA AND HAD HAD CONTACTS WITH A (X) GLEN ROBINETTE, WHO THE NSC
OFFICIALS ADVISED WOULD BE COOPERATIVE WITH THE FBI. ROBINETTE
WAS CONTACTED AND INTERVIEWED EVENING OF 7/17/86 AS FOLLOWS:Partially Declassified on 1/20/88
under provision of E.O. 12858
by B. Reagan, National Security Council

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SECRET

ROBINETTE, [REDACTED] MET

TERRELL ON 7/11/86, AFTER TRYING TO MAKE CONTACT WITH HIM FOR THREE WEEKS. ROBINETTE, BELIEVED TO BE WORKING IN AN UNSPECIFIED GOVERNMENT CAPACITY, TOLD TERRELL HE WAS A NON-PRACTICING ATTORNEY REPRESENTING INVESTORS INTERESTED IN TERRELL COLLABORATING WITH OTHERS TO WRITE A BOOK, DO A TV SERIES, OR PRODUCE A MOVIE ABOUT HIS EXPERIENCES. WITH TERRELL'S BACKGROUND AND EXPERIENCE IN THE CMA AND PARAMILITARY ACTIVITIES, ROBINETTE TOLD TERRELL THERE WAS A BIG AUDIENCE FOR A "RAMBO" TYPE FIGURE INVOLVED IN COUNTRY-CONFLICT ISSUES.

ROBINETTE MET REGULARLY WITH TERRELL 7/11-14/86, AFTER TELEPHONING HIM AT 1711 MASSACHUSETTS AVENUE, NW, THE APARTMENT OF A MAL WARWICK. (HAINES CRISS-CROSS LISTS PHONE FOR WARWICK AS 667-1151.) WARWICK IS AFFILIATED WITH MAL WARWICK AND ASSOCIATES, INC., A CONSULTING AND PRODUCTION FIRM FOR NUMEROUS NONPROFIT PUBLIC INTEREST GROUPS. ROBINETTE ALSO PHONED TERRELL AT 547-3800, THE CENTER FOR DEVELOPMENT POLICY, 731 8TH STREET, SE, WDC. ~~SUBSEQUENT TO 7/14/86~~, TERRELL LEFT THE APARTMENT ON MASSACHUSETTS AVENUE AND TOLD

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SECRET

ROBINETTE HE COULD BE REACHED AT AN ARLINGTON, VIRGINIA
TELEPHONE NUMBER, 524-6940.

ROBINETTE ADVISED THAT TERRELL SPOKE OF DISILLUSIONMENT
ON HOW THE NICARAGUAN ISSUE WAS BEING MISHANDLED BY THE
REAGAN ADMINISTRATION, BUT TERRELL WAS NOT SPECIFIC REGARDING
ANY ACTIONS, EITHER PRO-CONTRA OR PRO-SANDINISTA PLANNED ON
HIS PART. NO INDICATION WAS GIVEN AS TO HOW LONG TERRELL
WOULD REMAIN IN THE WASHINGTON AREA AND ROBINETTE ADVISED
HE WOULD ATTEMPT TO CONTACT TERRELL ON THE MORNING OF 7/18/86
TO CONTINUE HIS TALKS. ROBINETTE STATED HE WOULD ADVISE
WFO WHEN AND WHERE SUCH A MEETING WOULD TAKE PLACE.

ROBINETTE FURNISHED INTERVIEWERS WITH DOCUMENTS RELATING
TO MAL WARWICK AND ASSOCIATES, EXCERPTS OF TERRELL'S BOOK,
AND OUTLINES FOR PROPOSALS REGARDING HELICOPTER SERVICE
AND AIR FREIGHT SERVICE COSTA RICA. WFO WILL REVIEW THESE
DOCUMENTS FOR INFORMATION RELATING TO CAPTIONED MATTER.

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SECRET

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[REDACTED]
[REDACTED] WITH CONSIDERATION TO BE GIVEN
TOWARD INTERVIEWING TERRELL UNDER THE PRETEXT OF CONTINUING

G

[REDACTED]
WFO WILL MAINTAIN CONTACT WITH GLEN ROBINETTE REGARDING THE
CURRENT WHEREABOUTS OF TERRELL AND HIS ACTIVITIES.

FURTHER INVESTIGATION ON 7/18/86 PROVIDED EXACT SUBSCRIBER
INFORMATION AS NEW SERVICE CONNECTED INSTANT DATE, TO J. TERRELL,
1021 ARLINGTON BOULEVARD, APARTMENT 1013 ARLINGTON, VIRGINIA.
WFO HAS ALSO OBTAINED INFORMATION INDICATING THAT TERRELL'S
DAYTIME CONTACT NUMBER IS 202-547-3800, CENTER DEVELOPMENT AND
POLICY, 731 8TH STREET, SE, WASHINGTON, D.C.

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SECRET

FULL DESCRIPTION FOR TERRELL IS AS FOLLOWS:

NAME: JACK REYNOLDS TERRELL, W/M, DOB 4/13/41, POB BIRMINGHAM, ALABAMA, HEIGHT 5'8 1/2"-5'10", WEIGHT 165 POUNDS, HAIR BROWN/GREY, EYES BLUE, 3/4" CUT SCAR ON BACK LEFT THUMB, SSAN 416-56-1245.

REQUESTS OF THE BUREAU:

1. LOCATE AND REVIEW [REDACTED] FOR BACKGROUND INFORMATION ON JACK REYNOLDS TERRELL. OBTAIN PHOTOGRAPHS OF TERRELL AS FURNISHED BY MIAMI AND/OR NEW ORLEANS (PER TELCALLS INSTANT DATE TO MI AND NO) CONDUCT INDICES SEARCH FOR OTHER REFERENCES.
2. EFFECT CHECK FOR JACK REYNOLDS TERRELL IN IDENTIFICATION/ CRIMINAL RECORDS, [REDACTED]
3. ~~CONTACT CIA TO DETERMINE IF TERRELL IS OF OPERATIONAL~~ INTEREST TO THEM.

LEADS:

WFO AT WASHINGTON, D.C.:

1. COORDINATE WITH FBIHQ REGARDING REVIEW OF ITS FILES ON TERRELL.

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2. MAINTAIN CONTACT WITH GLEN ROBINETTE REGARDING THE
LOCATION OF TERRELL.

[REDACTED]

[REDACTED]

H 4. CONTACT BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, WDC,
TO DETERMINE WHETHER ATF HAS ANY CURRENT OR PAST INVESTIGATION
INVOLVING TERRELL.

5. MAINTAIN LIAISON WITH USSS.

[REDACTED]

[REDACTED]

BIRMINGHAM DIVISION AT BIRMINGHAM: WILL REVIEW FILES
REGARDING TERRELL AND PROVIDE ANY UPDATED INFORMATION AVAILABLE
REGARDING TERRELL'S RECENT ACTIVITIES OR CMA ACTIVITIES THAT
MAY BE DEEMED PERTINENT. CONTACT ATF REGARDING A POSSIBLE 1978
CASE INVOLVING TERRELL AND PROVIDE DETAILS.

C BY G-3; D ON QADR.

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FM: WFO [REDACTED] (C-8) (P)

TO: DIRECTOR, FBI (ATTN: CID/TERRORISM UNIT, CID/PERSONAL
CRIMES UNIT, CI-2/INTELLIGENCE DIVISION)

FBI, BIRMINGHAM IMMEDIATE

FBI, HOUSTON [REDACTED] IMMEDIATE

FBI, MEMPHIS IMMEDIATE

G

[REDACTED]
FBI, NEW ORLEANS [REDACTED] IMMEDIATE

BT

SECRET SECTION 3 OF 3

JACK REYNOLDS TERRELL, AKA COLONEL PLACO, NEUTRALITY MATTER-
POSSIBLE THREAT TO ASSASSINATE PRESIDENT RONALD REAGAN, DATED
7/15/86; OO: WFO

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Partially Declassified
Under provisions of E.O. 12958
by B. [REDACTED] National Security Council
Page 1 of 1
Date 4/20/88

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SECRET

H [REDACTED]

MEMPHIS AT NASHVILLE: CONTACT U.S. CUSTOMS REGARDING INFORMATION ON A "REVERSE-STING" OPERATION IN WHICH TERRELL MAY BE OF OPERATIONAL INTEREST. REPORT FULLY ON ITS STATUS AND TERRELL'S TRAVELS PERTAINING TO ANY INVESTIGATION.

[REDACTED] REVIEW ITS FILES AND [REDACTED]

G DETERMINE IF TERRELL IS SUBJECT OF OTHER FEDERAL INVESTIGATION OR IS UNDER INDICTMENT [REDACTED]

[REDACTED]

[REDACTED]

AT NEW ORLEANS: REVIEW ITS FILES AND PROVIDE STATUS UPDATE.

H [REDACTED]

[REDACTED]

C BY G-3; D ON OADR.

BT

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Partially Declassified by E.O. 12958
 under provision of E.O. 12958
 by B. Berger, National Security Council

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FD-302

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/25/86

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SECRET

This entire communication is classified "SECRET".

On the evening of July 16, 1986, GLENN A. ROBINETTE, telephone [redacted] was interviewed at the Headquarters of the FEDERAL BUREAU OF INVESTIGATION (FBI) by Special Agent ELLEN GLASSER of the Washington Field Office, Deputy Assistant Director, Criminal Investigative Division, JOHN J. SCHREIBER, and Unit Chief JAMES B. EGBERS. Special Agent KEN DONOHUE of the UNITED STATES SECRET SERVICE, was present during the interview. After being apprised of the interviewers' identities and purpose, ROBINETTE furnished certain information as contained herein. Prior to the interview, ROBINETTE was picked up at the intersection of 17th Street and Pennsylvania Avenue, N.W., Washington, D.C.

ROBINETTE was not queried regarding background and employer.

ROBINETTE advised that he had been attempting to locate a JACK TERRELL for approximately three weeks. He did meet TERRELL for the first time on July 11, 1986, and has had almost daily contact with him since that date. ROBINETTE approached TERRELL under the pretext that he was a non-practicing attorney representing a group of investors interested in TERRELL as a collaborator for books, television, shows and movies. The theme of these media forms was to be centered around country conflicts with a "Rambo" type appeal. ROBINETTE stated it was his intent to learn information about TERRELL which would account for his attempts to discredit United States efforts in Central America. In his contacts with TERRELL, ROBINETTE attached a 75 percent possibility for the chance that TERRELL believed his story.

SECRET

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 DECLASSIFY ON: OADR

Investigation on 7/16/86 at Washington, D.C. File [redacted] *mm*

SA ELLEN GLASSER, DAD JOHN J. SCHREIBER
 by UNIT CHIEF JAMES B. EGBERS EG:tl Date dictated 7/23/86
 This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents should not be distributed outside your agency.

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Continuation of GLENN A. ROBINETTE "SECRET" Page -2-

While TERRELL does not volunteer information, ROBINETTE has obtained certain information on TERRELL which he compiled in a summary, dated July 15, 1986. Conversely, however, TERRELL has never asked ROBINETTE his last name or requested a telephone number.

ROBINETTE furnished investigators with a three page summary, dated July 15, 1986, as well as other documents. ROBINETTE's statements to interviewers confirm the information contained in the attached summary.

ROBINETTE located TERRELL by making inquiries through the CHRISTIC INSTITUTE, Washington, D.C. The Institute was described as a group of priests against "big brother companies and government". ROBINETTE contacted TERRELL through telephone numbers which placed TERRELL at the CENTER FOR DEVELOPMENT POLICY, 731 8th Street, S.E., Washington, D.C., or at an apartment of a MAL WARWICK of MAL WARWICK AND ASSOCIATES, INCORPORATED, 1711 Massachusetts Avenue, N.W., Washington, D.C. ROBINETTE contacted him through both telephone numbers, visited the apartment and had contacts with TERRELL outside the Center.

While ROBINETTE visited TERRELL at the apartment, ROBINETTE observed a copy of a civil suit filed by two American reporters, TONY AVIRGAN and MARTHA HONEY in Costa Rica against seven Cubans and five Americans. TERRELL advised that this suit alleged that the property of a JOHN HULL in Costa Rica was misused and showed an example of a misuse of funds. TERRELL never committed himself to ROBINETTE on the Nicaraguan issue. He told ROBINETTE that he had been in Central America to fight for Nicaragua. He felt that CIA and ~~White House~~ monies had been misappropriated and gave the example of MARIO CALERO in Miami. TERRELL was believed to have visited Costa Rica in February, 1986, and May, 1986.

TERRELL told ROBINETTE he was collaborating on a book with DAN GROTHAUS, a reporter with the Houston Post. TERRELL furnished ROBINETTE with an excerpt of the book. TERRELL also furnished ROBINETTE with outlines of proposals for an air freight service and helicopter service in Costa Rica.

ROBINETTE had no indication from TERRELL of how long he had been in the Washington, D.C. area or what his travel plans in the future would be. ROBINETTE did not think TERRELL was armed with a weapon when in his company. TERRELL told ROBINETTE he was

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Continuation of GLENN A. ROBINETTE "SECRET" Page -3*-

supportive of the Contra movement, but thought that the REAGAN Administration had mishandled the program. TERRELL told him he voted for REAGAN and displayed no tendency toward committing a violent act against anyone in the future. ROBINETTE remarked that this opinion was clouded somewhat by the reading of TERRELL's book excerpt, in which, on page 13, TERRELL brutally describes killing of prisoners. ROBINETTE stated he had not really figured TERRELL out and could not assess the accuracy of TERRELL's statements to him or the statements in the book.

TERRELL apparently stayed at the apartment of MAL WARWICK until July 13, 1986, or July 14, 1986, when WARWICK, who had previously been out of town, returned to town. Subsequently, TERRELL gave ROBINETTE the following contact number, 524-6940, to reach him.

TERRELL refused \$100 offered as a loan to him by ROBINETTE. ROBINETTE could not speculate on TERRELL's source of income. On one of their meetings, ROBINETTE took TERRELL to the Center to meet a DAVID MacMICHAEL, supposedly a former Chief of Station, Honduras and Nicaragua (uncorroborated).

ROBINETTE advised he has not spoken to TERRELL since the previous Monday and would call him the next day to arrange a meeting. He advised he would forward this information to the FBI.

ROBINETTE furnished, in addition to his summary of TERRELL, copies of the following documents with referenced source:

- (1) Outline, Helicopter Service, Costa Rica (provided by TERRELL)
- (2) Outline for: Air Freight Line, Costa Rica (provided by TERRELL)
- (3) "Dear Friend" Newsletter published by MAL WARWICK AND ASSOCIATES (apartment of MAL WARWICK)

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15 July '86

Summary of Comments from Interviews-Jack Terrell
(His statements/comments)

- Jack Reynolds Terrell, 45 years of age, born in Alabama, 5'10" 165 lbs, slender build, brown/grey hair.
- Ran away from home at 14 years of age, conflicts with family/father, family well-off, father worked with Southern Railway.
- Jack and 2 boys stole a Model A Ford, broke into a gas station and took money for gas. He was 14 years of age, was sentenced to 18 year in prison. Spent 6 years in Alabama and was released. Never returned home. Hired by the Alabama prison system as to work with wayward teenagers.
- Parents are now dead. Has 2 sisters - 1 in Alabama, 1 in Florida.
- He married and divorced. Gave his wife substantial money at time of divorce as he was a millionaire by age 27. She is still unmarried and in Alabama.
- He had 5 companies in the past. Has no income now. Gets no money from Christic Institute or news interviews. Lives off of friends such as the apartment in DC on Mass Ave.
- Christic handles causes and cases for fights against "big brother companies and governments." Sheehan is brilliant, Davis is a Jesuit priest and lawyer. Sheehan studied for the priesthood. Sheehan and wife live in a house near the moniatary in DC owned by the Catholic Church. The Church supports Christic financially.
- Jack gets no money from Sen Kerry - either by check or cash.
- Jack gets no money from anyone and is "hurting slightly."
- Jack does not want to align himself with any political group or cause. Will help only if the cause is identifying with actions such as the Government and CIA which hurts or is not helping the people (Indians) in Nicaragua: Most all of the monies brought in were actually skimmed off by the senior officers and very little ever got down to the people needing food, medicines, etc.
- Hull is an agent for the CIA, has an 8,000 acre ranch with 5 air strips. Strips were used for landings and transfer of military equipment but also drugs. TV News shots actually show officials helping transfer boxes, etc.

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- Sen Kerry introduced/arranged a meeting with financial investors in the Boston area for the air services. They liked it and are awaiting Jack's return to the area for more talks.
- Jack is a pilot of prop aircraft including choppers. No jets.
- Christic has a hundred witnesses and will win the suit now pending in Florida. Jack will testify for Avigan/Honey. The Americans named in the suit are either employees of CIA or contract employees.
- The Senate plans very strong efforts to defeat the funding. Peace groups plan large demonstrations throught the country. The approval will be defeated. Christic has about 12 attorneys supporting them.
- Singlaub and North have provided secret funding in the past and it was not distributed fairly.
- Jack has very good contacts in Costa Rica. He was there in February and May '86. He has a valid US passport which was once taken from him and stamped "Cancelled." by the US authorities when he was forcibly removed by gunpoint from Nicaragua by direction of the CIA.
- Jack as an IQ of 180 and total recall of names and numbers from many years ago.
- On Sat evening 12 July '86, Jack received a call from an Anchorage newspaper reporter who asked what he knew about a local air company named MockAir (sp?). What Jack said to the reporter is not known yet. He did tell me that "MockAir is owned by Zantoc in Chicago who is owned by Evergreen who is owned by Air America, the largest airline in the USA and has never carried a legitimate passenger. MockAir is owned/connected with Maul Corporation, Maultrie, Georgia. They make STOL aircraft. STOL aircraft were used by AF General Richard Secord in covert air operations. He also used PV-1 Neptunes for the same purpose." "He runs an 'under-airforce' for North."
- George Doooley was the operator of Air America and recently died.
- News reporters Brian Barger, AP and Christopher Dickey, Washington Post know a great deal about the Nicaraguan problem and have talked with people involved down there and here in the US.
- Jack, as a convicted felon cannot get a job easily. He has limited employment possibilities, not with Kerry or US Government. He must travel on his own, be independent, create his own successes.

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1.

Jack Terrell loved his country and believed that America could do no wrong. He wanted to serve his country. America's enemies---the Russians and all their puppet governments such as Poland, Cuba, Nicaragua---were the bad guys. America's friends and public servants were the good folk in the white hats. That included the CIA.

Now Jack Terrell is willing to die not for his country but for what he believes in ... and if he testifies before the Senate and House Select Committees on Nicaragua, as he's been asked to do by Senator John F. Kerry of Massachusetts and Representative Mike Barnes of Maryland, the FBI has warned him it could happen.

"But they can only kill you once," Jack says. "The problem is getting hurt. They can do that to you often."

In September 1984 when 42-year-old Jack Terrell conned his way into an Alabama-based mercenary group to join the fight against the Communists in Nicaragua, he didn't mention to them the CIA-sanctioned operation that was his real mission. And he didn't dream that before he left Nicaragua and Honduras---before the CIA forced him to leave, at gunpoint---he would have his own personal and private reason for wanting to stay.

Terrell then owned a condo service company; he had hardly any military experience. Today he appears as a soft-spoken, intelligent, articulate Southern businessman---tall, slender, dark-haired and blue-eyed---not a mercenary, not a gunslinger, and hardly a reflection of the kid in the black leather jacket and greased ducktail arrested by Alabama cops 27 years ago.

He grew up in Birmingham, Alabama; James Dean was his hero. At 15 he was caught joyriding in a stolen car, and spent his next six years in prison. Behind bars he learned the tricks of burglars, thieves and moonshiners, gave himself the equivalent of a college education, and laid the foundation for an expertise in military weapons and tactics. After his release he became the first ex-con in Alabama history to be hired by the prison system; he was the state's youngest and newest "dog warden," responsible for tracking down escaped prisoners. But publicity about his background as a former inmate forced the state to ask for his resignation.

During the Viet Nam era he was classified 4-F because of his felony conviction. Terrell had few marketable skills, a wife, and a young daughter. Then his 3-month-old girl was in a car accident with his wife and parents; she died 33 days later, and Jack always felt her life would have been saved if

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she had had prompt emergency care. It was stubborn grief and a sense of waste that motivated Jack to call a friend in Washington D.C. The friend loaned him \$2,000 to start an ambulance service in Montgomery, Alabama.

A few years later Jack Terrell had made his first million. He had emergency ambulance contracts throughout Alabama and Mississippi, owned two airplanes and a ranch where he raised Palomino horses. But on the heels of a nasty divorce he managed to lose or sell off his business interests.

In September 1984 he was half-heartedly selling time-share condos in Gulf Shores, Alabama, when he read about two Americans who had been shot down in a helicopter over Nicaragua. They belonged to a group called Civilian Military Assistance (CMA), headquartered in nearby Decatur, Alabama.

Jack was mildly interested.

He became very interested when a week later he was contacted by an old friend in Washington, D.C. This man was an unofficial liaison for "the Company," the CIA. (For the moment, at least, he can't be named.) The Company for nearly a decade had used his small cargo company to ship arms to countries around the world.

The friend now suggested to Jack that, under the cover of the CMA from Alabama, he could organize a strike force of Americans and Contras to enter Managua, disrupt public utilities through a series of bombings, and at the same time assassinate the Nicaraguan Minister of the Interior, Tomás Borge. This was the same Tomás Borge recently singled out by President Reagan in a Saturday morning mid-March radio address for having engaged "in a brutal campaign to bring the freedom fighters into discredit."

"You see," Reagan said, "Borge's communist operatives dress in freedom fighter uniforms, go into the countryside and murder and mutilate ordinary citizens."

Jack Terrell's assignment was to put together a CIA infrastructure within CMA, and then carry out CIA-directed strikes. The first one was: get rid of Tomás Borge. The CIA would foot the bill. They agreed formally to pay Jack a fee of \$50,000 to do the job. The operation was to be code-named Pegasus.

Jack Terrell had worked for the CIA before, in Rhodesia in 1967 and during the investigation of Tong Sun Park in 1977. His service had been too brief, unsatisfactory. He had always felt unfulfilled. He was a romantic; he craved adventure and action. He viewed his last two decades as dull, a series of failures punctuated by minor tragedies. He wasn't sorry for himself, he was just determined to get off his ass and do something with his life. He truly believed that Communism was evil, and those who tried to force it on illiterate Third World peasants deserved to be crushed, eliminated. What better course of action, what nobler cause, than to serve his country?

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He agreed to launch Operation Pegasus, if he could convince the people at CMA. It was a challenge. The adrenalin flowed.

At first he couldn't find a telephone listing for CMA, so he tried another approach. He called the Decatur Police Department, told them that he was a state cop from Tennessee and had a warrant for a man allegedly associated with some group called CMA. The desk sergeant launched into a long diatribe against CMA's founder, Tom Posey, and bemoaned the recent death in Nicaragua of a former Huntsville cop who had joined up with CMA. "Yeah, I know where Posey is," the sergeant said. "But he and that gang aren't patriots or even real soldiers ... they're gun runners and dope smugglers."

A few days later Jack sat in a Denny's Restaurant near the New Orleans airport. Across the table was Tom Posey, founder of the year-old mercenary group. Posey, in his 40s, was a tall, smiling country boy who wore old blue jeans and drugstore-cowboy boots. Having heard President Reagan open the floodgates to volunteerism by publicly announcing that he backed the "freedom fighters and volunteers" all over Central America, and that if he was young enough he'd be down there too, Posey had raised the funds from right-wing Alabamians and formed CMA.

His avowed purpose was to supply arms and men to the Nicaraguan Contras. To that effect he worked closely with Mario Calero, the brother of Contra leader Adolfo Calero, and their current project was the formation of a new, small force of American volunteers who would fly down to Managua and join the battle. A CMA group had been to Central America already under the command of a man named Stedman Fagoth, but Fagoth had been booted out of Honduras after it was discovered that a part of the money made available to him had gone toward his personal needs in Miami. But Fagoth's help was still needed; he had the necessary contacts among the Contras.

Posey seldom checked credentials. Jack Terrell's proposal to create "a special strike force" comprised of Spanish-speaking Americans and English-speaking Contras was all he wanted to hear. He barely glanced at Jack's fabricated resume before inviting him to "join up."

When Jack attached himself to CMA it was, in his words, "a loose-knit group of redneck flag-wavers of dubious intelligence" who had heard the call of destiny to tilt the balance of power in Central America toward democracy and the American way. Their ultimate goal and pleasure---their mission---was to kill Communists. They were like little boys on a Saturday afternoon who had just seen a John Wayne double feature.

That he was similar to them was something he could not yet see.

Jack received his code name later that day at Mario Calero's home in Kenner, a suburb of New Orleans. It was to be used in a letter of introduction to Supreme Commander 380, Enrique Bermudez, the Contra military chief in Honduras.

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"What should we call you?" Calero, pen in hand, asked Jack. He had already started to write the letter. "Because if we call you by your real name and this letter falls into the wrong hands, everybody's ass is on the chopping block ... especially yours."

"I told him I hadn't brought a suitable code name with me. He got up and went into the kitchen for more coffee, and I heard him talking to his wife. He came to the door wearing a big smile. 'My wife has named you,' he cried, with great enthusiasm. 'She says you're too thin. So we'll call you Flaco. Flaco! You like it? It means the thin one.'"

A few days after the meeting with Mario Calero, Jack Terrell met with a "blue suit"---CIA slang for a payoff man--- at New Orleans airport, and received an envelope containing \$20,000 in cash. The rest of the money was to come later, with a midway payment of another \$20,000 and a completion "award" of the final \$10,000.

Six months later Jack Terrell, known by then as Colonel Flaco, was exorcised from Central America by the U.S. State Department. He was deported under armed guard for accomplishing what the CIA and the U.S. government had not been able to accomplish---the creation of an active force in the Contra setup willing to go into combat on a daily basis with the Sandinista army inside Nicaragua. But in the eyes of the CIA and a very particular Uncle Sam, Terrell had created his fighting force among the wrong Contras.

During those six months, Jack Terrell's attitude hardened into one of "a plague on all your houses." He saw at first hand the Sandinistas' thirst for bloody reprisal and disregard for human life; but he saw the same qualities, and more, in the U.S.-backed Fuerza Democratica Nacional (FDN) Contras and even in their Indio allies, the Misuras. He saw that the FDN Contras had raised an army of 16,000 supposed fighting men, but were far more interested in public relations than in joining battle to win their oft-proclaimed democratic goals.

Terrell, "the thin colonel," met during that period with wealthy Americans desirous of investing in the Contras, as if the Contras were a stock on the Big Board, in return for what amounted to future ownership of Central American natural resources. He was a participant in meetings in the United States between Contra leaders, American businessmen and CIA representatives; high on the agenda were plots for assassinations and terrorists attacks that were to be made to look like Sandinista acts. He was a willing participant, for a while.

But the ultimate goal of the Contras, Jack Terrell soon realized, was not victory on the battlefields of Nicaragua--- it was direct United States military intervention as in Vietnam.

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2.

Terrell, in his self-created role of Colonel Flaco, and five CMA American volunteers had just arrived at the FDN Contras' main camp across the border in Honduras. They were about to begin the training of their special unit when Terrell saw his first media event staged by an American television crew....

"Adolfo Calero, the Contra's top man, had flown down from his comfortable home in Miami and invited an NBC-TV crew to tag along. They were delighted. It hadn't been this exciting since Nam. Calero on this occasion---in front of the camera, somewhere in the deep bush of Honduras---was to give his troops a pep talk, and they would cheer and shout in order to impress the American audience on the 7 o'clock news with how badly the freedom fighters wanted to overthrow the Red bastards in Nicaragua.

"I stayed in the bed of the Toyota truck with the cameraman. Adolfo assembled his troops on the seldom-used parade grounds of their encampment. At one point the NBC reporter, Fred Francis, interrupted Adolfo's speech. The men were so thin in the ranks, he said. (There weren't very many of them.) Couldn't they all bunch together? And he would narrow his camera angle, and the soldiers would look like a fighting force instead of a gang of stragglers.

"Calero was happy to oblige. The rally began again. As he spoke the troops whooped and cheered, not with much enthusiasm, but at least on cue.

"I said something to the cameraman about 'staging,' and asked if that wasn't dirty pool. He said, 'New York doesn't care. And what they don't know won't hurt them, amigo. Besides, if we give these guys a good image back home then our crew can fly down here anytime without having to go through all that red tape with their PR office.'"

Meanwhile Jack was learning at first hand how the Contras operated. All Sandinista prisoners, he noticed, were routinely killed. Supreme Commander Enrique Bermudez told Jack, "The men are instructed to cut the prisoners' throats. We have a shortage of bullets."

It was also common practice for the Contras to round up young men in rural Nicaraguan border villages and force them

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to join the Contra military force under threat of death. Those were the lucky young men. When the Contras entered Nicaragua from their sanctuary across the Coco River in Honduras, they searched through jungle villages and executed those suspected of being Sandinista sympathizers.

Turnabout was fair play. To the east, in Nicaragua's Zelaya province, thousands of Mosquito Indians were slaughtered by Sandinista soldiers and their Cuban advisers. The practice had begun in 1981 when the new Sandinista government began to move the Miskitia out of Zelaya; it was basically an effort to relocate and thus gain control of a fiercely independent, rebellious tribe. The rotting remains of those who refused to cooperate were left in plain view, as a warning to others.

Terrell communicated on an almost daily basis with Tegucigalpa, using a powerful 1,000-watt Harris radio that had been given to the FLN Contras to the CIA. At his request, his messages were then relayed to Washington.

In November 1984, still in Honduras, Terrell and his American force began training FDN Contra special troops for a new mission. Without bothering to explain that the idea had been given to him by the CIA, Jack had proposed to CMA and the Contras that a terrorist strike on Managua, the capital of Nicaragua, could turn the war around. While they were at it, they would assassinate Tomas Borge.

The Contras and CMA both agreed.

But then, in early December, a series of newspaper articles was published in the Memphis Commercial Appeal. The articles, written by a reporter named Bill Thomas who had visited the Contra camp at Las Vegas, Honduras, exposed CMA's plan to use supposedly neutral Honduras as a staging area for their clandestine penetrations into Nicaragua. Posey had talked. In his simpliminded way he thought it would give good publicity to CMA and help them find more recruits.

The publicity did not offer any details of Pegasus itself, but it did compromise the Las Vegas training site. And it angered the Honduran government in Tegucigalpa as well as those who pulled the strings at Langley and in the White House. Under direct orders from Washington (Enrique Bermudez admitted this to Jack), the Tegucigalpa government deported Jack and his dozen American comrades who had been allowed into Honduras to participate in the training.

The dozen Americans, discouraged by the setback and the slowness of the pace in Central America, returned to the States.

But his FDN Contra pals convinced the thin American "colonel" to stay. There was still work to be done. He had only to bide his time. They arranged for him to go underground in Honduras, putting him up in comfort at Cockson's Hole, a fishing resort on the Caribbean island of Roatan. This was for his safekeeping, they said. Jack didn't object. He had things to do.

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During his stay on Roatán he began to write a journal about his Central American experience. He kept that journal until his final exodus from Central America four months later.

He was on Roatán for ten days, and then he left, flying from Tegucigalpa back to Miami. He was still a believer. It was time for him to reorganize his funding sources and march forward with his plan.

3.

In order to understand Jack Terrell's options and his ultimate decision, you need to know the players in the Central American game...

The so-called Contras---contrary to the kind of oversimplifications offered in President Reagan's March 1986 speech to the American nation---are far from a homogenous and unified force.

Of the three main Contra groups, only the FDN (the National Democratic Force) is groomed and completely funded by the CIA.

Duane Clarridge, the CIA official in charge of military and paramilitary activities in Nicaragua from 1981 through 1984, created the FDN with an initial \$80 million in covert Company funds. Jack Terrell has recently seen secret U.S. government documents---shown to him by the FBI and U.S. Attorneys from Miami, who are currently (April 1986) debriefing him in New Orleans---which indicate the FDN can account for only 20% of the \$100 million they have thus far received in U.S. aid. Federal agents now investigating the FDN/CIA web tell Terrell they suspect much of these covert funds have been laundered through U.S. banks and used to finance cocaine traffic from Tegus (pronounced Tay-goose: the name used by old Central America hands for tongue-twisting Tegucigalpa) and Managua to Miami and Galveston, Texas.

Clarridge, known to the Contras as "Dewey Moroni," used blank check diplomacy to organize the FDN with a core group of 200 former Somosita national guardsmen.

The brutality of Somosa's National Guard was the principal reason that President Carter backed the Sandinista overthrow of the dictator's government in 1979.

Today President Reagan denies that Somosa's old National Guard gang is running the FDN Contras. Yet FDN commanders are named after their old National Guard serial numbers. Enrique Bermudez, the FDN Supreme Military Commander, is called Commander 380.

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Eden Pastora is one of the men who fought for the Sandinistas in the overthrow of Somoza. Later, after he saw Cuban and Soviet influence sweep in behind the new government of Nicaragua's new President Daniel Ortega, Pastora became disillusioned and organized a Contra force in neighboring Costa Rica. They are called the ARDE Contras. Pastora labeled himself "Commander Zero," as a tongue-in-cheek jab at the former National Guard serial-number commanders heading the FDN.

The FDN consider Eden Pastora an enemy. The U.S. government grants him grudging approval ... and few other benefits.

The third main Contra force are the Misura Indians. They are based roughly 100 miles east of the FDN force in a dry, scrubby border area of Honduras called the Rusrus.

The Misura became an army through classic revolutionist means. At first they fought the Sandinistas with machetes, until they could capture enough rifles to arm a patrol, then a company, then a battalion. The Misura Contra army was born from a raw hatred for the new government---for the old government, too, it should be noted---and a simple struggle to survive.

The Misura---often called "the niggers of Nicaragua" by both Sandinistas and FDN Contras---have suffered centuries of mistreatment from whoever was in power. Now that they have weapons and some sense of order, their chief goal is independence from any government in Managua. This makes them, at best, an uncomfortable ally for the FDN; at worst, a growing threat.

In Washington it makes them an unknown quantity ... and Washington does not like to deal with unknown quantities.

It made them more than interesting to a man like Jack Terrell, who seemed to gravitate naturally to the underdog. He came to know the Misura well.

The entire time that Jack lived and plotted among the Contras, official American aid was illegal. Congress had said so. Yet military supplies from U.S. sources constantly flowed into Honduras---at one time under the guise of state National Guard maneuvers during the Big Pine exercises---earmarked for the Contras. Several U.S. guard units visited sites such as Palmerola and conveniently left behind trucks full of guns, ammunition and heavy equipment.

What Jack Terrell found criminal, however, was the disparity in the distribution of those supplies. After Washington allowed the Honduran government to skim its 30% import duty off the top in exchange for having compromised its dubious neutrality, covert American aid was delivered only to the FDN Contras. The FDN was then obliged to distribute 20% of the aid package to the ARDE Contras in Costa Rica and 10% to the neighboring Misura Contras.

The ARDE got nothing. The Misura received barely enough to stay alive. All of the 16,000 FDN troops and their families and girlfriends were fed and clothed---yet no more

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than 2,000 FDN troops have ever fought in combat at any given time.

Five years have passed. The FDN still hangs out across the border in Honduras. They hold not a single square foot of Nicaraguan soil.

After his stay on Roatan, Jack Terrell traveled back and forth between Miami, New Orleans and Houston, hoping to gather funds for Operation Pegasus and find a new door into Nicaragua. He was bombarded with so many propositions during his five days in the States that he scarcely had time to realize what he was involved in. He was stuck on a treadmill of his own choosing and never thought to get off.

At different times during this brief odyssey he met with FDN leader Adolfo Calero (who spends a lot of time in Miami); a Texas oilman who wanted to buy Nicaraguan beans; Cuban emigré drug dealers who claimed that they wanted to become freedom fighters; freedom fighters who wanted to become drug dealers; and a CIA operative from Costa Rica who helped the Cubans in both the drug trade and in their dream of freedom fighting.

Jack was in daily contact with his CIA associate in Washington. He quickly discovered the price he would have to pay if he wanted to make friends and influence people and get Operation Pegasus off the ground. In the course of one week he was asked to assassinate Eden Pastora, capture a Caribbean island for a syndicate of wealthy Texans, turn a blind eye on the flourishing drug trade condoned by the CIA, and help exploit the Misura, the only decent group of people he had met during his time in Honduras and Nicaragua.

In Houston Jack was introduced to a man named Maco Stewart III, a plump 50-year-old alcoholic lawyer whose father had founded the Stewart Title Company with oil money. After Stewart II's death in 1974, the Princeton-bred Maco III sold his interest in the title company for \$4 million. He was one of the original financial backers of CMA in Alabama.

Maco knew Nicaragua and the Misura Indians. "I love the Misura," he said. "I want to help them." When he met Jack he was looking for a man he could trust to represent him in offering the Misura \$2 million in exchange for future rights to their bean, cocoa leaf and shrimp harvest in Zelaya province.

"We were sitting in the restaurant on the top floor of the Warwick Hotel in Houston. We were by ourselves, the place was empty. That surprised me, and then Maco told me he had rented the entire restaurant so we could meet in private. I didn't believe it, it made no sense ... but no one else showed up while we were there. During our talk he repeated an odd phrase. 'If I waved my magic wand.

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could this happen? If I waved my magic wand, could you do such-and-such for me?..."

"One of his projects he called 'Freedom Fighter Beans.' He had worked out a marketing plan with some people on the faculty of Texas A&M. He wanted to buy the entire Misura bean crop for ten cents a pound, then sell it in health food stores for a dollar a pound.

"His benevolence, I began to realize, was exceeded only by his greed."

Maco then changed the subject and offered Jack \$375,000 in cash if he could organize his force to capture or sink an old French battleship used by the Nicaraguan Navy to patrol their Atlantic coast. This was the first step, he explained, toward the establishment of the small island of Cabeza in the Miskito Keys as "a businessman's island."

Maco was raising money for the project by selling \$50,000 "war bonds" to old Ivy League pals. The bonds had even been approved, he claimed, by the SEC.

The first \$600,000 would go to Adolfo Calero of the FDN. Calero had promised Maco that after the Contras overthrew the Sandinistas, the new government would recognize the island of Cabeza as an independent country. The men who bought the war bonds would be rewarded with their own private Caribbean fiefdom, complete with tax advantages, no import duties and diplomatic status. They could even join the U.N. or apply for U.S. foreign aid.

Jack guardedly agreed to work with Maco, but decided the relationship would last only as long as it seemed to serve the interests of the Misura. He would exploit Maco's greed insofar as it could lead to the Misura agreeing to the use of their territory for the launching of Pegasus.

Jack had already decided that it was vital for the potential Misura fighting force of 5,000 men to get involved in the war. But what the Misura lacked were arms and equipment. The few Misura patrols coming back from missions inside Nicaragua would meet their replacements at the Coco River and turn over their boots and rifles to the new men. Maco Stewart's money might change all this.

The next day, at Adolfo Calero's home in Miami, Jack was present while Calero, a young CIA agent named Rob Owens, and John ~~Heft~~, an American farmer living in Costa Rica, plotted the assassination of Eden Pastora, the Costa Rican Contra leader. Also present were Felipe Vidal Santiago, a Cuban CIA agent; Donald Lacey, a Costa Rican lawyer; and Aristides Sanchez, Secretary to the Directorate of the FDN Contras.

Jack listened while the other men discussed a previous attempt to kill Pastora during a May 1984 press conference in La Penca, Nicaragua. Pastora had escaped injury, but an exploding camera bag killed three Costa Rican journalists and seriously injured 18 others, including two Americans.

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No one had ever been arrested for that outrage, but there in Miami Jack learned the name of the assassin: Amac Galil, a Libyan terrorist, hired for the job by the CIA and the FDN. Galil had posed as a free-lance photographer from Paris, mingling with journalists in Costa Rica for weeks before planting his bag of C-4 plastic explosive at the press conference."

Jack Terrell was asked at the Miami meeting to attempt the next assassination of Eden Pastora. The CIA agent, Rob Owens, spoke little. Adolfo Calero at one point leaned against a doorway, a cigarette hanging between his lips, and casually said, "I don't want to know how you do it, and I don't care. I just want that Costa Rican bastard dead." Rob Owens nodded his approval.

John Hull did most of the speechmaking. His 2,000-acre farm in Costa Rica on the Nicaragua border had been a staging area for CIA and Contra activity for five years. In return the CIA overlooked the Colombian and Cuban-American drug traffic that passed through his property.

Hull and Jack Terrell hammered out a workable plan for the killing of Pastora. A hand-picked squad of American volunteers and Contras, dressed in Sandinista uniforms, would kidnap Pastora, take him to a village in Nicaragua and hang him in the central plaza. The leader of the Costa Rican-based Misura, a man with the unlikely name of Brooklyn Rivera, would also be assassinated if he didn't agree to cooperate with the CIA and FDN.

Jack left the meeting a little stunned. He was unhappy with his participation and his decision. He had begun to realize that he was caught up in the tangled web of his self-created character and now de guerre, Colonel Flaco. He didn't like these men he was working with, and for the first time he began to seriously question their motives. For the first time, too, he began to doubt the validity of his own course of action---and within 24 hours he reached a decision to tip off Eden Pastora before the attempt on his life.

"During all this the Reagan administration was working overtime to persuade the American people that the FDN Contras were the good guys wearing the white hats, and the Sandinistas were unprincipled villains. The Company knew the truth, but they didn't care. They operated under the assumption that no one would talk about what really went on, and if anyone talked, no one who mattered would

* This information is corroborated by an investigation conducted by two journalists, Martha Honey and Tony Avirgan, then with ABC-TV, now with Independent Television Network in London and the London Times. Their La Penca Report was published in December 1985.

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believe it. The CIA-backed mining of the harbor at Puerto Corinto in Nicaragua, for example, came as a shock to the American public. It was a clear act of war. That was Duane Clarridge's operation. He had contracted the job through the Summa Corporation, a holding company set up by Howard Hughes. There was some bad publicity after the mining of the harbor was revealed. So Clarridge was reprimanded and transferred laterally to another post. Not busted, not even demoted."

Another operation related to the Pastora plot (also sanctioned by the Company) called for the bombing of the U.S. Embassy in San José, Costa Rica. This staged terrorist attack was meant to be carried out by American, Cuban and Colombian mercenaries, but the CIA would make sure that the Costa Rican government pointed the finger at the Sandinistas. Terrell later learned that the bomb's secondary target was the U.S. Ambassador to Costa Rica, Lewis Tambs. Tambs had just arrived in San José after serving as Ambassador to Colombia, where his pressure on the drug trade had prompted a syndicate of Colombian cocaine dealers to place a \$1 million contract on his head.

Both the Pastora and Tambs assassinations were designed to provoke and justify direct U.S. military intervention against the Sandinista government of Nicaragua.

4.

When Jack Terrell returned a second time to Honduras he brought with him fifteen American volunteer mercenaries recruited by CMA in Alabama. Each man was assigned to a team of Misuras. Their first task was the reconstruction of the base camp called TEA, which had been overgrown by the surrounding forest. The TEA camp was actually a pleasant and attractive place, dotted with tall pines that shaded the huts; a fresh stream sliced through the 5-acre site and divided the crude bivouac area from the training ground.

Maco Stewart had given Jack \$25,000 in cash to arrange for four American Indian chiefs from California, and their retinue, to meet with the Misura in Honduras and invest in their resistance effort. Jack knew that the expenses for this pow-wow would be less than \$10,000; he began to use the balance to bring in plane loads of rice, sugar and flour from Tegus for his future army. The Indians eventually showed up, accompanied by the irrepressible Maco.

Jack's next step was more complicated.

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The Misura had accumulated a large cache of arms and munitions---most of them brand new Russian AK-47s shipped from Bulgaria, still in their crates. The Misura had amassed this armory in a series of raids on unprotected government truck convoys traveling between the Atlantic coast and Managua. They had no boots, helmets or uniforms, but they had enough small arms for an army of 10,000 men.

Jack managed to convince the FDN Contras that it was in their interest to trade some of their abundant field supplies ---sent from the U.S., of course---for the Misura surplus weaponry. But it was more difficult to convince the Misura that the swap was a fair one. They had never had a fair deal from anyone. Everyone helping hand that ever been offered them had raised false hopes and been backed by lies.

The so-called Flaco was becoming fond of the Misura. They were the underdogs here, and the only honest fighting force. All they wanted was their independence. He had provided them with food, money and know-how, even Yankee manpower ... but they still didn't quite trust him. Why should they turn over their precious stock of weapons to a gringo colonel? Jack understood.

Finally, one steamy day when the sky was white from haze and heat, a group of Misura asked Jack to take a tour of some parts of the border he hadn't yet seen.

Less than a mile from the camp the group came to a clearing. Jack noticed a small hut, actually a wooden cage. He peered closer. Sandinista prisoners were cramped together inside the hut, forced to live with their own waste.

"They put seven prisoners on their knees next to a freshly-dug pit. Their hands were tied behind their backs. They were the ones they called the Pericucos, the mad dogs, and the Misura were going to kill them. They were viewed as nothing but meat.

"The Sandinistas had been beaten, starved, and abused. They were rancid from their long stay in that hut, which was barely five feet high.

"I was given the honor of killing these men. It was a test.

"If I didn't do it, someone else would. I knew that right away. They were all eager. But I was chosen.

"I walked over and pulled out my Browning 9 mm 14-shot automatic. I looked down at the Sandinistas---no, I wasn't looking right at them, but actually past them; I didn't want to see their eyes---and I placed the barrel of my pistol at the base of the first man's neck. I pulled the trigger. Parts of his bone and flesh kicked back on to my arm, but I didn't notice as I moved down the line, firing again and again. I could feel the bone chips and hot blood hitting my cheeks and forehead. It

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felt as if someone was pouring warm water over me. I just kept moving and pulling the trigger. I killed all seven. I was shaking so badly I didn't know if I would be able to walk away, sit down, or fall down. I was totally wrecked...

"I didn't sleep that night. There was a stain on my mind and my soul that I knew I would never wash out. I thought, is this what you wanted? Did you intend to come here and be used and become a butcher? I lay in a kind of daze in the jungle heat. I kept saying to myself, 'If you didn't do it, someone else would have...'"

The Misura now saw him as not merely a dedicated ally but a soldier. But today, Jack Terrell's voice still cracks and falters when questioned about this final test of his loyalty.

*

The exchange of supplies and weapons took place. Over the next few weeks he and his group of American volunteers continued their training in the refurbished TEA base camp. Misura troop strength and discipline was growing daily. Jack had gone on a dozen brief combat missions deep inside Nicaragua, and more were planned. Land mines were being placed on roads that the Sandinistas had always thought were safe. The Sinsin and Yulu bridges that connected the Atlantic coast with the western half of Nicaragua were being studied for demolition. The Misuras, as soldiers, proved to be clever and highly motivated.

"I didn't want to be projected as a leader, dictator or king. I wanted to give back to these people the self-respect and dignity that had been taken from them throughout the last hundred years, but do it in a fashion that would make it seem as if they were in control of their own destiny."

Jack's temporary strategic goal was to help the Misura establish a base just inside Nicaragua at the village of Asung on the Coco River. That way, he and the Misura could operate on the southern side of the border without pressure from the FDN, the Honduran army or the U.S. government. He also hoped that the presence of a bona fide Misura base inside Nicaragua would warrant the direct U.S. aid that, so far had eluded the Misura people.

Scores of villages inside Nicaragua had been scenes of slaughter by Sandinista troops in the early 1980s, and the village of Asung was one of them. Asung, in fact, had become something of a shrine, a holy burial place worth preserving just as the Sandinistas had left it. That was a key reason for Jack's having selected it as the first Misura foothold inside the country.

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In 1981, under the eye of Cuban advisers, Sandinista soldiers entered Asung and the ordered the 450 villagers to collect their clothes and get in line. They were being relocated, they were told, to a protected government camp.

The village huts of Asung, which stand in rows near an overgrown airstrip, are still charred from the fires set by their former conquerors. It is unknown exactly how many villagers actually fought back, how many merely refused to relocate, and how many escaped, but the remains of 300 bodies were found scattered throughout the area.

Jack Terrell now saw how the Misura chose to retaliate.

"During one mission inside Nicaragua [with the Misura] we came across a tiny village of maybe eight huts. We heard what sounded like a party, men laughing and screaming. When we got into the village I saw a girl---she was probably about twelve years old---tied between two trees. By then she had already been raped several times, vaginally and anally. About thirty Misura soldiers stood around her. She choked to death when one of them shoved his penis inside her mouth.

"There was nothing I could do. I found out later that the girl's father had been suspected of being the Sandinista or Communist committeeman for the village. He escaped before the Misura got there, and this girl was the only one in his family they could find. So they raped her, and killed her.

"That was probably the worst thing I saw during my entire time down there. It ended my romance with the Misura. I couldn't say, 'Well, that's not typical, that's just an isolated instance, no matter how horrible it was.' Because it was not an isolated instance. It was the way things were. There were no good guys left. The supply of white hats was finished."

5.

Jack Terrell's final farewell to the Guatemala-Honduras border and his ultimate disillusion with the U.S. government began in Alabama Senator Jeremiah Denton's office on Capitol Hill. Jack flew to Washington in March 1985. He met three times there with Senator Denton and Meg Hunt, the Senator's chief adviser on Central America, and Joel Lister of the State Department.

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The Misura leadership had drawn up a document giving Jack Terrell, a/k/a Colonel Flaco, authority to represent them with the U.S. government. Their new envoy was now requesting food and supplies for what he termed "the only real fighting force of Contras inside Nicaragua."

But Senator Denton argued that the Boland Amendment precluded any direct aid to the Contras. Jack laughed. He knew better.

What Denton and Lister wanted was Intelligence. Jack, while on patrol missions with the Misura, had stumbled upon a terrorist training base and a three separate Sandinista cocaine manufacturing plants in Nicaragua's Zelaya province. The training base was a mock-up of a Boeing 727 that sat in a desolate clearing in the jungle. Misuras told Jack that exercises by different groups of armed men took place at irregular intervals in and around the mock-up. Some of the groups spoke English; some spoke languages the Misura had never heard.

Jack was unwilling to relinquish the details without more control of the eventual payoff to the Misura.

At another meeting he discussed the stalemate with Lt. Col. Oliver North, an assistant to the White House Chief of Security. Actually, Jack talked to Joel Lister, who held the phone in Denton's office and relayed the conversations between Jack and Col. North so that no direct communication actually took place. "Lister didn't know of my original CIA assignment in Nicaragua," Jack says. "But North did."

Senator Denton finally agreed to ship food and supplies to the Misura in exchange for the exact coordinates of the drug factories and the terrorist training camp. In effect, Denton was willing to break the law.

But when they began to discuss the details of the guarantees, Jack balked. If he released his information, he began to realize that Denton intended to use it primarily for anti-Sandinista propaganda. He knew that the aid freeze hadn't stopped Washington from sending supplies to the FDN Contras. Why shouldn't the Misura Contras receive equal treatment?

No deal was cut. Jack left Senator Denton's office empty handed, listening to Meg Hunt's final appeal to his "patriotic duty."

By the time he returned to Tegucigalpa, the U.S. Embassy there had received a telex from the State Department demanding the exit from Honduras of all Americans. The Embassy was instructed to apply particular pressure on the Managua government to deport Colonel Flaco's volunteer American group.

Teofilo Archibald, a Creole and the Misura political director, delivered that message to Jack Terrell at his tent in the Tia camp. Jack asked Archibald to relay his message to Managua: he would resist deportation with force. He wanted to buy time in order to decide what his next move should be.

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But that night an Israeli cargo plane airlifted 40 Honduran commandos into the RusRus airstrip and then to TEA. As soon as the commandos were positioned around the tents of the Americans, a Honduran major woke Jack Terrell, instructing him that if he or any of his men stepped outside their tents carrying arms, the commandos would open fire. The major told Jack that he had 24 hours to vacate the TEA camp---then they would leave for Tegucigalpa and a final flight home to the United States.

The next morning Misura general staff officers stood with Jack at the small airfield as the Americans loaded their gear on the cargo plane. The 40 Honduran commandos stood with machine pistols at the ready. Archibald's second-in-command drew Jack to one side.

He told Jack that the Honduran commandos were surrounded by 300 Misura soldiers. All Jack and his men had to do was hit the ground, and the Misura would open fire.

Jack wisely declined. He had already agonized over the decision to leave, and he had realized that if he fought back ---even if he won---he would create two additional enemies for the Misura: Honduras and the United States. He waved goodbye and stepped aboard the plane.

In Tegucigalpa he and the other CMA volunteers were kept on the C-47 for eight hours under the tropical sun. Several of the men were sick; they were forced to urinate and defecate in the plane's cockpit. After nightfall they were transported to the basement of the U.S. Embassy and held there for a further 12 hours. The next morning their passports were taken from them and they were put on a commercial plane for Miami.

"I felt betrayed, and I felt the Misura Contras had been betrayed as well. I was later told by my CIA friend in Washington that it was believed I had got 'out of control', I wasn't following orders, and he advised me to keep a low profile.

"What they do in such cases, literally, is stamp your jacket at Langley with the words: 'OUT OF CONTROL.'

"At the end I did what I thought was right, not what I was ordered to do. That's certainly true. And since that day the Misura Contras have gone down the toilet, right where the FDN wants them, while the FDN sits comfortably on its tail waiting for U.S. intervention and a personal congratulatory visit from Ronald Reagan. He'll get a surprise when he sees his beloved 'freedom fighters.' They're thugs."

Jack Terrell thought he was helping his country combat the threat of Communism spreading throughout Central America through Mexico to the borders of Texas and California. At the time he set off for Nicaragua he didn't consider himself naive

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or idealistic. He knew he was an adventurer flying under false colors, but he thought he was adventuring and plotting for a just cause.

"Since then," he says, "people have called me everything from a sonofabitch to a nut, from a communist to a right-wing Reaganite. The labels don't bother me. I have to play a mental game of ping pong to understand what happened to me, the changes I went through. At times my feeling is one of total emptiness. I just want to come out of this, somehow, with my integrity intact."

#

Jack Reynolds Terrell is currently cooperating here in the United States with the FBI, the DEA, Federal attorneys from Miami, and the Costa Rican government, all of whom are investigating a web of drug traffic, assassination attempts plotted in the United States with CIA approval, anti-neutrality violations, and stacks of conspiracy allegations involving the FDN Contras and their American supporters.

On April 5, 1986, at the request and under the aegis of Senator Kerry of Maryland, he was escorted by armed guard to a safe house near Annapolis, where further debriefing will take place and a decision made as to his testimony.

Terrell has been asked to appear on 60 Minutes, 20/20, and the Donahue Show, but so far he has turned them down. He has given in-depth interviews to the Boston Globe and the Associated Press with the understanding that the material will not be printed until he gives the go-ahead sign.

"When the right time comes, I want to tell the truth of what happened down there in Central America. That's the only way we can understand what's happening now . . . and what might happen."

#

Dan Grothaus, a reporter with the Houston Post, will be aiding Jack Terrell in the writing of his first-person story. A rough draft manuscript of approximately 120,000 words exists and is being edited. The final text will be similar in length.

Grothaus will conduct further taped interviews with Jack Terrell in Maryland and/or New Orleans, and will soon take a leave of absence from the Post and travel to Honduras and Nicaragua for additional research.

A target date of September 1986 has been set for completion of the book.

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FD-302 (REV. 3-10-82)

Particular Disclosure, Page 10 of 12
 under provisions of E.O. 12958
 by B. 2027, National Security Council

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 24, 1986, at 10:50 a.m., GLENN A. ROBINETTE, [redacted] telephone [redacted] was reinterviewed at the Washington Field Office, FEDERAL BUREAU OF INVESTIGATION (FBI), by Special Agent ELLEN GLASSER, Special Agent DAVID A. BEISNER, and UNITED STATES SECRET SERVICE Special Agent THOMAS A. PUSKAS:

Before any questions were asked of GLENN ROBINETTE, he asked for "three minutes to speak out." Speaking very succinctly and repeatedly stating that he felt the interview was being taped, he alluded to the idea that the FBI had targeted him as being a "plumber" for the WHITE HOUSE. He continued by saying he would not be a part of any such action and valued his professional and personal character far too much to be associated with a "plumbers unit." He further indicated that he felt uneasy as to the FBI leaking information to the media about his contact with them. He stated that he holds the FBI responsible for any leaks of information to the media concerning his contact with the FBI. ROBINETTE stated that he knows both OLIVER NORTH and RICHARD V. SECORD. He is currently working for RICHARD SECORD in regard to identifying the origin of the information which resulted in a pending civil suit against SECORD. When ROBINETTE was asked what his association with SECORD was, he replied that he had started working for SECORD a months ago. When he was asked if SECORD was paying him, ROBINETTE replied by saying he was "working for SECORD." ROBINETTE stated he had not worked for SECORD prior to accepting this case.

In his contacts with JACK TERRELL, between July 11, 1986, and July 17, 1986, ROBINETTE advised that TERRELL was convincing and does not volunteer any information. ROBINETTE opined that "there is more to TERRELL than what meets the eye." He also stated that TERRELL showed little interest in women while around him, and is surveillance conscious. As for being a potential danger to President REAGAN or other domestic officials, ROBINETTE stated that TERRELL did not appear to be a danger on the surface. However, he believed that "There is something about TERRELL that's scary." He did not see TERRELL as an explosive person and indicated that, to his knowledge, TERRELL did not carry

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Investigation on 7/24/86 at Washington, D. C. File # [redacted] Washington Field
 by SAs DAVID A. BEISNER and ELLEN GLASSER EG:mye 7/25/86

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FD-302a (Rev. 11-16-83)

GLENN A. ROBINETTE; [REDACTED]

7/24/86

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Continuation of FD-302 of _____, On _____, Page _____

a weapon. ROBINETTE further mentioned a comment made by TERRELL that appeared scary to ROBINETTE. Under a pretext conversation about weapons, ROBINETTE asked TERRELL about obtaining a weapon for his wife. In response, TERRELL offered a suggestion and stated, "This is a rough world. There are times you need to protect yourself and your beliefs."

ROBINETTE concluded about TERRELL that there was a deeper side to TERRELL that had not been revealed. He could not say whether or not TERRELL was a possible danger to any foreign officials. He believed that TERRELL was self-serving and out for his own personal well being rather than truly supporting any specific cause, political or otherwise.

ROBINETTE ended the interview by reaffirming his original statement about his concern of the FBI thinking of him as a plumber and leaking information to the media concerning his contact with them.

ROBINETTE stated he would advise the FBI in the event that he planned to continue his private investigation by recontacting TERRELL.

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Partial - Death - 1/20/88
 under prime - E.O. 12812
 by B. [redacted] National Security Council

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 17, 1986, at approximately 3:00 p.m.,
 GLENN A. ROBINETTE, [redacted]
 [redacted] contacted the undersigned Special Agent, FEDERAL
 BUREAU OF INVESTIGATION (FBI) at the Washington Field Office
 and furnished the following information:

ROBINETTE stated he had completed a 1:00 p.m.
 meeting in which he met JACK TERRELL outside 731 8th Street,
 S. E., Washington, D. C., and ate lunch with him. He queried
 the undersigned Agent about whether he was being followed
 by surveillance units.

ROBINETTE stated that he believed TERRELL did
 not present a threat to President RONALD REAGAN. TERRELL
 appeared to have no loyalties to any outside government,
 except that he is sympathetic to Nicaragua issues. TERRELL
 reiterated, as in past meetings with ROBINETTE, that he
 was not opposed to United States policy per se, but was
 against the methods used to support the Contra program.
 TERRELL described MARIO CALERO as a "pin-stripe General."

TERRELL refused ROBINETTE's beeper number when
 offered. He also told ROBINETTE he would be available
 at his telephone number, 966-5873, over the weekend.

TERRELL and ROBINETTE conversed about weapons
 which ROBINETTE's wife could use as self-protection. TERRELL
 recommended a .330 pistol or mace.

ROBINETTE was requested by the writer to abstain
 from making further contact with TERRELL until further
 notice.

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Investigation on 7/17/86 at Washington, D. C. File # [redacted]
 by SA ELLEN GLASSER EG:mye

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Partial Declassification Authority
 Under provisions of E.O. 12958
 by B. 2007, National Security Council

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FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 7/25/86

On July 22, 1986, Lieutenant Colonel OLIVER L. NORTH, Director for Political-Military Affairs and the Counterterrorism and Low Intensity Warfare Group of the NATIONAL SECURITY COUNCIL (NSC), was interviewed by the undersigned Special Agent and Assistant Special Agent in Charge of the FEDERAL BUREAU OF INVESTIGATION (FBI), Washington Field Office, at his office located in the Old Executive Office Building. After being apprised of the interviewers' identities and the purpose, NORTH furnished the following information:

NORTH stated he has never personally met JACK REYNOLDS TERRELL, but has heard about him through numerous sources. Among these sources, NORTH enumerated the following:

1) Approximately 18 months ago, Intelligence Officer for Nicaraguan Resistance, Northern Front, (First Name Unstated) [redacted] advised NORTH that TERRELL was [redacted] telling people he worked for NORTH. [redacted] told NORTH that TERRELL, known to him as "Colonel FLACO," was [redacted] in a training capacity and was purported to be brutal with the troops. NORTH advised that he recommended [redacted] go to [redacted] authorities to throw TERRELL out of the country. NORTH believed that TERRELL was thrown out [redacted] subsequent to this.

2) When NORTH was in Central America, he heard that FLACO was trying to bring guns [redacted] from Miami. Contacts advised NORTH that TERRELL was telling others he was retired from the UNITED STATES ARMY, Special Forces, and was formerly with the CENTRAL INTELLIGENCE AGENCY (CIA). NORTH stated he ran checks for both, which were negative.

3) NORTH stated TERRELL is to be a star witness in a 1986 civil suit filed in the Southern District of Florida in which a group of United States citizens are named as defendants.

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Investigation on 7/22/86 at Washington, D. C.
 by SA ELLEN GLASSER & ASAC DAVID G. BINNEY EG:mye

7/25/86

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Continuation of FD-302 of OLIVER L. NORTH; [REDACTED] On 7/22/86 Page 2

4) NORTH stated that TERRELL's name had surfaced in connection with a staff investigation being conducted by Massachusetts Senator JOHN KERRY.

5) While TERRELL's name has not come up, NORTH mentioned that in March, 1986, Washington Post Managing Editor LEONARD DOWNEY received obscene calls at night in which the caller used NORTH's name. DOWNEY wrote NORTH a letter advising him that if the activity did not stop, he would prosecute. NORTH stated that he did not make the calls, wondered who did, and stated he had responded to DOWNEY's letter with a letter offering assistance.

6) TERRELL has used OLIVER NORTH's name on television interviews.

[REDACTED]

[REDACTED]

SINGLAUB can be contacted at [REDACTED]

[REDACTED]

NORTH stated that he is acquainted with both Retired Air Force Major General RICHARD V. SECORD and GLENN ROBINETTE. SECORD runs an import-export business, but is also a consultant to the DEPARTMENT OF DEFENSE (DOD) as a member of the Special Operations Planning and Analysis Group. NORTH advised that SECORD is named in the Florida civil suit, and another suit and hired ROBINETTE, a security investigator, to learn information about TERRELL, the key witness in both suits. NORTH stated that he was aware of ROBINETTE's investigation and has talked to both ROBINETTE and SECORD about it, but he did not initiate the investigation. NORTH has denied media allegations that SECORD works for him and reiterated this point during the interview.

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Continuation of FD-302 of OLIVER L. NORTH; [REDACTED] On 7/22/86 Page 3

On the evening of July 17, 1986, ROBINETTE called NORTH who asked him to do a favor. NORTH had been alerted by the FBI that the FBI sought to immediately locate TERRELL and NORTH asked ROBINETTE to meet with the FBI that evening. Before meeting FBI Special Agents, ROBINETTE met with NORTH in his office, giving him copies of documents, which ROBINETTE later also furnished to the FBI.

NORTH stated he has never met a DAVID MAC MICHAEL, whom he believed is associated with lobbying on Central America and has reported on "atrocities" in the last year. NORTH heard information through contacts that MAC MICHAEL [REDACTED]

NORTH advised that his NSC duties center around the coordination of interagency process within the NSC and carrying out policy. He has worked extensively in the area of Central American affairs and has played a large role in the "Nicaraguan Policy problem." NORTH stated that he strongly believes in a democratic resolution of Nicaraguan issues. He described himself as an "activist." He has a staff of four, two secretaries and two assistants.

NORTH stated that neither he nor his staff are responsible for funding, arming, or administering Contra programs. He stated that he is not involved with any covert operations being run in the United States. NORTH does travel extensively and meets openly with foreign leaders, including Nicaraguan Embassy Ambassador CARLOS TUNNERMANN. Other than NSC employees operating within the realm of their assigned duties, he stated he had no subordinates currently operating in the United States and knew of no one on his staff, to include himself, who was operating outside the scope of NORTH's jurisdiction.

On this date, NORTH furnished investigators with an original letter to him, dated June 27, 1986, from TOM POSEY, Head of the CMA.

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FD 302

Partially Declassified
 Under provisions of E.O. 12958
 By B. [redacted] National Security Council

UNCLASSIFIED

FEDERAL BUREAU OF INVESTIGATION

I Date of transcription 7/23/86

On July 23, 1986, Retired Major General RICHARD V. SECORD, [redacted] Mc Lean, Virginia, telephone [redacted] was interviewed at the WASHINGTON FIELD OFFICE of the FEDERAL BUREAU OF INVESTIGATION. After being apprised of the interviewing Agents identities and purpose, SECORD furnished the following information:

General SECORD stated he knew of the ongoing investigation concerning JACK TERRELL. General SECORD stated his knowledge of TERRELL stemmed from a civil suit in which the General was one of approximately thirty defendants in a RICO case. The General stated the suit accused him and his co-defendants of "wild activity" which was generated by individuals identified as "AVIRGAN" and "HONEY". General SECORD stated that DANIEL SHEEHAN, of the Christic Institute is the Attorney representing AVIRGAN and HONEY. General SECORD stated that his business is one of a fifty percent partnership with ALBERT HAKIN, which is identified as The Stanford Technology Trading Group. General SECORD described their business as a private international security organization.

General SECORD stated that he is also a member of the Special Operations and Policy Group originating with the DEPARTMENT OF DEFENSE.

Investigation on 7/23/86 at Washington, D.C. File [redacted]

SA ELLEN GLASSER
 by SA DAVID A. BELSNER *dy* DAB:vll Date dictated 7/23/86

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FD 302a

Continuation of interview of General RICHARD V. SECORD , Page 2

General SECORD stated that JACK TERRELL is a central figure in the suit against him and ALBERT HAKIN, et. al. and General SECORD described JACK TERRELL as the "star witness" in this suit.

General SECORD stated he hired ROBINNETTE in May, 1986, to investigate backgrounds and allegations in this suit against himself and the other defendants. General SECORD stated that ROBINNETTE is on his (General SECORD's) payroll and SECORD believed ROBINNETTE had hired two retired FBI Agents to help in the investigation.

General SECORD described the allegations as being a concerted effort by JACK TERRELL and several other people, the identities of whom could be provided by ROBINNETTE. General SECORD named those people he could recall whom he thought were in collusion with JACK TERRELL. General SECORD identified a SERGIO BRULLE, a Cuban American, with a commercial business; a (FNU) GOMEZ, whom he described as a bad Cuban involved with drug running, currently living in the Dominican Republic; and a BILL KENNY, who is making statements concerning SECORD's activities abroad. General SECORD stated that ROBINNETTE could provide complete background information concerning his investigation to date.

General SECORD reiterated the information provided by a July 14, 1986, CBS news release concerning the "Maul" Aircraft (STOL aircraft which General SECORD is allegedly involved in selling to Contra groups at the behest of Lieutenant Colonel OLIVER NORTH). General SECORD also stated that there was a news conference held on Capitol Hill a couple of days after the suit was made in Miami District Court, which was conducted by Fenton Communications.

General SECORD stated that his personal attorney is a TOM GREENE, 659-2400, 1800 Massachusetts Avenue, Washington, D.C.

SECORD stated that, according to ROBINNETTE, TERRELL is a "spooky character" and ROBINNETTE had conducted an "operation" at the behest of General SECORD attempting to ingratiate himself with JACK TERRELL. ROBINNETTE met with him for a personality assessment, on the pretext of working on a novel concerning JACK TERRELL.

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FD 302a

Continuation of interview of General RICHARD V. SECORD, Page 3*

ROBINNETTE was attempting also to gain background information concerning AVIRGAN, HONEY and SHEEHAN, mentioned above. General SECORD stated that to the best of his knowledge ROBINNETTE met with JACK TERRELL three or four times and talked to him on the phone several times.

During the course of the interview General SECORD stated that he would make ROBINNETTE available to the FBI to provide full disclosure concerning his "investigation" on JACK TERRELL.

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FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

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Partial Declassification Request
 Under E.O. 12958
 by B. 13304 National Security Council

4320

TERRELL HAS BEEN INTERVIEWED INTENSIVELY IN THE PAST BY
 THE FBI CONCERNING ALLEGED ACTIVITIES OF THE CIVILIAN MILITARY
 ASSISTANCE (CMA) INCLUDING SMUGGLING OF WEAPONS, AND NARCOTICS,
 PLOTTING THE ASSASSINATION OF THE U.S. AMBASSADOR TO COSTA
 RICA AND DISCUSSING BOMBING THE U.S. EMBASSY IN COSTA RICA.

SECRET

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

UNCLASSIFIED

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

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PAGE THREE DE WF 0066 S E C R E T

TERRELL ADVISED THESE PLANS WERE MADE TO IMPLICATE THE SANDINISTAS AND HE HAD OFFERED HIS SERVICES TO THE FBI TO INFILTRATE THE SANDINISTAS. IT SHOULD BE NOTED THAT TERRELL HAS MADE NUMEROUS STATEMENTS REGARDING CENTRAL INTELLIGENCE AGENCY (CIA) TIES TO PERSONS ASSOCIATED WITH THE CMA, AS WELL AS OTHER ALLEGATIONS; THAT HAVE NOT BEEN CORROBORATED.

TERRELL WAS PLACED UNDER SURVEILLANCE 7/17/86 BY WFO AND LATER TRAVELLED ON 7/22/86 TO MIAMI, WHERE MIAMI DIVISION CURRENTLY HAS HIM UNDER SURVEILLANCE.

FOR INFORMATION OF MIAMI, WFO SUBSCRIBER CHECKS FOR CALLS PLACED FROM TERRELL'S HOTEL ROOM IN MIAMI ON THIS DATE ARE AS FOLLOWS: 202-547-3800-CENTER FOR DEVELOPMENT POLICY, 731 8TH STREET, N.W., WDC; 202-224-2742-OFFICE OF SENATOR JOHN KERRY, WDC; AND 202-662-0618-UNLISTED.

SUMMARY OF WFO INVESTIGATION ON 7/24/86 FOLLOWS:

A REVIEW WAS MADE OF TERRELL'S 4/86 TELEPHONE BILL (NUMBER 504-522-6129) WHEN TERRELL WAS RESIDING AT 1350 BOURBON STREET, NEW ORLEANS, LA.

ON THIS DATE, DAVID C. MACMICHAEL WAS UNDER SURVEILLANCE

SECRET

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

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FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS
 Date _____

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PAGE FOUR DE WF 0066 S E C R E T

WHERE HE WAS OBSERVED AT CENTER FOR DEVELOPEMENT POLICY, 731 8TH STREET, THE NATIONAL PRESS BUILDING, WDC, AND THE NUEMB (DID NOT ENTER). HE HAS BEEN IN THE COMPANY OF AN UNIDENTIFIED WHITE FEMALE, RITA CLARK, W/F EMPLOYEE OF THE NUEMB, AND A W/M BELIEVED TO BE A WILLIAM H. MCCOY.

ON THIS DATE, WFO REINTERVIEWED GLEN V. ROBINETTE,

██████████ WHO CONFIRMED THAT HE HAD BEEN HIRED BY RETIRED AIR FORCE MAJOR GENERAL RICHARD V. SECOND TO LOOK INTO TERRELL'S ACTIVITIES. TERRELL IS BELIEVED TO BE A STAR WITNESS IN A CIVIL SUIT NAMING SECOND. ROBINETTE MENTIONED NUMEROUS TIMES HE WAS NOT INVOLVED IN ANY KIND OF "PLUMBERS UNIT" AND SHOWED GREAT CONCERN THAT INFORMATION NOT BE LEAKED TO THE MEDIA.

ALL OFFICES BE ADVISED THAT IF SUBJECT TERRELL TRAVELS TO ANY DIVISION, SURVEILLANCE IS TO BE CONTINUOUS AND SUBJECT IS TO BE ACCOMPANIED TO ANY POINT WITHIN THE UNITED STATES. COORDINATION BETWEEN DIVISIONS IS IMPERATIVE.

TERRELL IS DESCRIBED AS W/M, DOB 4/13/41, SSN 416-56-1245, 5'10" - 6'0", 165 - 175 LBS, BLUE EYES, BROWN/GRAYISH HAIR.

SECRET

Approved: _____ Transmitted _____ Per _____
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PAGE TWO DE WF 0002 S E C R E T

(NO COPY TO ATLANTA); WASHINGTON FIELD FACSIMILE TO
NEW ORLEANS, SA GARY JOHNSON, DATED JULY 22, 1986.

WASHINGTON FIELD INVESTIGATION ON JULY 22, 1986,
CONSISTED OF THE FOLLOWING:

FOR INFORMATION OF ATLANTA, CAPTIONED MATTER INVOLVES
INVESTIGATION OF SUBJECT IN ALLEGED ASSASSINATION ATTEMPT
PLOT ON THE LIFE OF PRESIDENT RONALD REAGAN.

ON INSTANT DATE, WASHINGTON FIELD INTERVIEWED NATIONAL
SECURITY COUNCIL DIRECTOR OLIVER NORTH REGARDING HIS
KNOWLEDGE OF TERRELL, GLENN ROBINETTE, AND THEIR ACTIVITIES.
NORTH ADVISED THAT ROBINETTE WAS HIRED AS A PRIVATE
INVESTIGATOR FOR RETIRED AIR FORCE MAJOR GENERAL RICHARD SECORD,
WHO IS NAMED IN A 1986 CIVIL SUIT FILED BY TONY AVIRGAN AND
MARTHA HONEY IN THE SOUTHERN DISTRICT OF FLORIDA AGAINST
30 INDIVIDUALS IN SUPPORT OF THE CONTRA PROGRAM. TERRELL
IS BELIEVED TO BE A WITNESS IN THE CASE AND SECORD ALLEGEDLY
HIRED ROBINETTE TO TRY TO OBTAIN INFORMATION ON TERRELL.
NORTH STATED THAT HE PLAYED NO PART IN INITIATING THIS CONTACT
BUT WAS AWARE OF IT. NORTH PROVIDED INFORMATION THAT ROBINETTE
COULD ASSIST THE FEDERAL BUREAU OF INVESTIGATION (FBI) IN

S E C R E T

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Under provisions of E.O. 12958
By B2-3000 National Security Council
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PAGE THREE DE WF 0002 S E C R E T

LOCATING TERRELL WITHOUT HESITATION ON JULY 17, 1986, AND
STATED THAT ROBINETTE HAD COME TO HIS OFFICE BEFORE BEING
INTERVIEWED BY THE FBI. WHEN QUERIED REGARDING DAVID
MAC MICHAEL, NO TH ADVISED [REDACTED]

SHURTLY AFTER 10:00 A.M., A WASHINGTON FIELD OFFICE SPECIAL
AGENT (SA), WHILE UNDER PRETEXT AT THE CENTER FOR DEVELOPMENT
POLICY, OVERHEARD A RECEPTIONIST SPEAK TO "JACK" WHO WAS CALLING
FROM A METRO STOP. THE RECEPTIONIST IMMEDIATELY HEREAFTER
TELEPHONED SOMEONE TO ADVISE THAT JACK WAS AT THE METRO AND
NEEDED TO BE MET IMMEDIATELY WITH THE MONEY PACKET.

ON 12:15 P.M., TERRELL DEPARTED WASHINGTON NATIONAL
AIRPORT ALONE VIA EASTERN AIRLINES, FLIGHT 175, ARRIVING
MIAMI, FLORIDA, 2:23 P.M. TERRELL WAS FOLLOWED BY WASHINGTON
FIELD SOO PERSONNEL AND MIAMI SO MET THE PLANE, SO THAT
SURVEILLANCE CONTINUED WITHOUT BREAK. MIAMI REPORTED TO
WASHINGTON FIELD CONTACT BY TERRELL IN MIAMI WITH A HILDA
COUTIN. ALSO REPORTED WAS INFORMATION THAT TERRELL HAS PAID
FOR FOUR DAYS LODGING AT MIAI AIRPORT MARRIOTT HOTEL.

WASHINGTON FIELD HAS FOCUSED ADDITIONAL ATTENTION TO

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DAVID C. MAC MICHAEL WHO WAS SEEN JULY 21, 1986, WITH TERRELL AND WHO VISITED THE NARAGUAN EMBASSY NUEMB) AFTER HIS CONTACTS WITH TERRELL. IDENTIFICATION IS TENTATIVE AND WASHINGTON FIELD HAS NOT LOCATED MAC MICHAEL WHO WILL, AT THAT TIME, BECOME A SURVEILLANCE TARGET.

[REDACTED]

SURVEILLANCE ON SAMPSON AND CORDERO IS CONTINUING. SAMPSON WAS OBSERVE THIS DATE GOING WITH HIS WIFE, MIDDAY, TO A BANK. HE EXITED THE BANK WITH A LARGE BROW BAG.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

J
Rule 6e
F.R.C.P.

H

RECEIVING OFFICES ARE REQUESTED TO CHECK ALL REFERENCES FOR A DAVID C. MAC MICHAEL, DATE OF BIRTH, JUNE 25, 1927; AND DELPHI COMPANY, RIVERDALE, GEORGIA.

LEADS: WASHINGTON FIELD DIVISION: AT WASHINGTON, D. C.

S E C R E T

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PAGE FIVE DE WF 0002 S E C R E T

WILL CONTINUE EFFORTS TO LOCATE AND IDENTIFY DAVID C. MAC MICHAEL AND PLACE HIM UNDER SURVEILLANCE.

WILL INTERVIEW RICHARD SECORD REGARDING HIS KNOWLEDGE OF TERRELL.

WILL REINTERVIEW GLENN ROBINETTE REGARDING ADDITIONAL INFORMATION ON TERRELL.

WILL, AT NATIONAL AIRPORT, CONDUCT LOGICAL CHECKS TO DETERMINE IF DVID MAC MICHAEL TRAVELLED FROM 6:00 P.M. ON JULY 17, 1986, VIA ANY AIR TRAVEL ROUTE TO MIAMI.

ATLANTA DIVISION: AT RIVERDALE, GEORGIA:

ATTEMPT TO IDENTIFY DELPHI COMPANY, RIVDALE, GEORGIA, THROUGH DIRECTORY, BUSINESS, AND OTHER LOGICAL SOURCES.

ALEXANDRIA DIVISIO: AT DULLES AIRPORT:

CONDUCT LOGICAL CHECKS TO DETERMINE IF MC MICHAEL TRAVELLED SINCE 6:00 P.M., JULY 21, 1986, TO PRESENT VIA ANY AIR TRAVEL ROUTE TO MIAMI (SA JESSE LOTTUS) (INFORMATION PROVIDED TELEPHONICALLY).

BALTIMORE DIVISION: AT BWI AIRPORT:

CONDUCT LOGICAL CHECKS TO DETERMINE IF MAC ICHAEAL TRAVELLED SINCE 6:00 P.M., JULY 21, 1986, TO PRESENT VIA ANY AIR TRAVEL ROUTE TO MIAMI (INFORMATION PROVIDED TELEPHONICALLY).

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PAGE SIX DE WF 0002 S E C R E T

MIAMI DIVISION: AT MIAMI, FLORIDA:

WILL CONTINUE ITS SURVEILLANCE ON SUBJECT, TERRELL, AND KEEP
OFFICE OF ORIGIN FULLY APPRISED F HIS MOVEMENTS. PROVIDE LIAISON
WITH WASHINGTON FIELD SOG IN MIAMI DIVISION, AS WELL AS WASHINGTON
FIELD SSA CARSON DUNBAR AND USSS KEN DONOHUE ARRIVING MIAMI
EVENING ON JULY 22, 1986.

NEW ORLEANS DIVISION: AT NEW ORLEANS, LOUJIANA:

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C BY G-3; DECL: OADR.

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PAGE TWO DE WF 0055 S E C R E T

TO WFO DATED 7/23/86; NO AIRTEL DATE 7/19/86.

THE FOLLOWING INVESTIGATION WAS CONDUCTED ON 7/23/86 AT WFO:

RETIRED AIR FORCE MAJOR GENERAL RICHARD V. SECORD WAS INTERVIEWED THIS DATE AND HE ADVISED HE HAD HIRED GLENN ROBINETTE FOR PURPOSES OF GETTING INFORMATION REGARDING SUBJECT TERRELL. SECORD ADVISED HE BELIEVED ROBINETTE WAS WORKING WITH 2 RETIRED FBI AGENTS, IDENTITIES UNKNOWN TO HIM. TERRELL IS BELIEVED BY SECORD TO BE STAR WITNESS IN CIVIL SUIT DESCRIBED IN REFERENCED TELETYPE.

WFO SOG RETURNED TO WFO THIS DATE.

ON THIS DATE, MARY WILLIAMS, DEPARTMENT OF JUSTICE, FARA SECTION, ADVISED THAT DOJ HAS NO RECORD FOR THE CENTER FOR DEVELOPMENT POLICY OR INTERNATIONAL CENTER FOR DEVELOPMENT POLICY. WILLIAMS ADVISED THAT MENTIONED GROUP IS NOT CURRENTLY REGISTERED AS AN AGENT FOR A FOREIGN GOVERNMENT AND HAS NEVER BEEN REGISTERED AS AN AGENT FOR A FOREIGN GOVERNMENT. A FARA RECORD CHECK FOR LINDSAY MATTISON (ASSOCIATE/EMPLOYER OF TERRELL) WAS ALSO NEGATIVE.

WFO WILL RECONTACT PROFILE UNIT, QUANTICO, AND PROVIDE UPDATED BACKGROUND ON TERRELL.

SECRET

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Partially Declassified - Release in 1/20/87
 under provisions of E.O. 12958
 by B. [illegible] [illegible] [illegible]
 (24 pages)

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PAGE THREE DE WF 0055 S E C R E T

WFO LOCATED AND PLACED DAVID C. MACMICHAEL UNDER SURVEILLANCE AT 1612 20TH STREET, N.W., WDC, COUNCIL ON HEMISPHERIC AFFAIRS. MACMICHAEL ALSO OBSERVED AT 731 8TH STREET, S.E., WD, CENTER FOR DEVELOPMENT POLICY MACMICHAEL AND A UNKNOWN ASSOCIATE NOTED TO BE EXTREMELY SURVEILLANCE CONSCIOUS. IN FACT MACMICHAEL USED EVASIVE TACTICS WHICH WERE SUCCESSFUL IN HIS ELUDING SURVEILLANCE ON 3:30 P.M. THIS DATE. MACMICHAEL IDENTIFIED AS W/M, DOB 6/5/27, SSN 148-20-1527, MAY RESIDE AT 11442 ORCHARD LANE, RESTON, VA., WITH A LORETTA RHODES, DOB 11/13/51.

WFO CONDUCTING CIA CHECKS ON MACMICHAEL AS ARRANGED THROUGH 7/22/86 CONTACT WITH FBIHQ.

NEW ORLEANS BE ADVISED THAT WFO IS IN RECEIPT THIS DATE OF TERRELL CASSETTE TAPE AND TRANSCRIPT DATED 3/11/86 OF CONVERSATION BETWEEN TERRELL AND MANUEL CORDERO. (AIRTEL)

REQUEST OF FBIHQ

CONDUCT INDICES SEARCHES FOR THE FOLLOWING: 1. JACK REYNOLDS TERRELL, DOB 4/13/41; 2. WENDY LOU SCHAULL, DOB 12/30/47; 3. GLENN A. ROBINETTE, DOB 8/21/21; 4. LINDSAY MATTISON

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PAGE FOUR DE WF 0055 S E C R E T

5. DAVID CHARLES MACMICHAEL, DOB 6/5/27; 6. CENTER FOR DEVELOPMENT POLICY, 781 8TH STREET, S.E., WDC, 418 10TH STREET, S.E., WDC.; 7. COUNCIL ON HEMISPHERIC AFFAIRS, 1612 20TH STREET, N.W., WDC; 8. LORETTA RHODES, DOB 11/13/51.

LEADS: ALEXANDRIA DIVISION: AT ALEXNADRIA, VIRGINIA

CONDUCT INDICES SEARCHES FOR ALL REFERENCES AS OUTLINED ABOVE.

ATLANTA DIVISION: AT ATLANTA, GEORGIA

PER TELCAL, MAKE DIRECTORY CHECKS FOR SUBJECT'S SISTER BARBARA TERRELL, 7560-5 TAYLOR RD., RIVERDALE, GA, TELEPHONE 478-9795. ATTEMPT TO DETERMINE WHO RESIDES AT ADDRESS AND ANY BUSINESS LINK TO DELPHI, INCORPORATED, RIVERDALE, GA, AS PRINTED ON SUBJECT'S LUGGAGE. INFORMATION OBTAINED BY WFO CHECK OF 1984 PASSPORT APPLICATION FOR TERRELL.

BALTIMORE DIVISION: AT COCKEYSVILLE, MARYLAND

CONDUCT INDICES SEARCHES AS OUTLINED ABOVE.

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FD-36 (Rev. 8-28-82)

FBI

TRANSMIT VIA:

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☐ Facsimile
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PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
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Date _____

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PAGE TWO DE WF 0002

S E C R E T

INCIDENT. TERRELL WAS SEEN IN THE COMPANY OF TWO UNKNOWN FEMALES, AS YET IDENTIFIED.

LEADS HAVE BEEN SET FOR ALEXANDRIA DIVISION [REDACTED]

H [REDACTED]

USSS ADVISES THAT PRESIDENT REAGAN ATE LUNCH AT THE HOME OF VICE PRESIDENT BUSH TODAY BUT OTHERWISE HAS BEEN IN THE WHITE HOUSE COMPLEX ALL WEEKEND AND PLANS TO REMAIN THERE THROUGH MONDAY.

WFO IS IN PROCESS OF REVIEWING ELSUR AND GENERAL INDICES CHECKS. ALSO, INVESTIGATION ARE REVIEWING BACKGROUND INFORMATION TO TRACE TERRELL'S MOVEMENTS SINCE BECOMING ASSOCIATED WITH THE CIVILIAN MILITARY ASSISTANCE (CMA) IN 1984. AN INITIAL REVIEW OF MAJOR EVENTS ARE AS FOLLOWS, WITH SOURCE OF INFORMATION: 1984-TERRELL TRAVELLED TO CENTRAL AMERICA; CONTACTED CMA DIRECTOR POSEY [REDACTED] (FD-302); 10/84 - ATTENDED FUNERAL OF TWO CMA MEMBERS; MET TOM POSEY AND RECEIVED CMA APPLICATION; MET MARIO CALERO OF THE FRENTE DEMOCRATICO NICARAGUENSE (FDN) WITH WHOM HE DISCUSSED SHIPMENT

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Approved: _____

Transmitted _____

(Number) _____

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FBI

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PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

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PAGE THREE DE WF 0002

S E C R E T

OF MILITARY GOODS [REDACTED], FD-302);
 APPROXIMATELY 10/22/84 - TERRELL MET WITH MARIO CALERO, TOM
 POSEY, AND OTHERS REGARDING CIA - FURNISHED PLAN FOR CMA
 WHICH INCLUDED DISCUSSIONS OF PROPOSED ASSASSINATIONS OF SEVERAL
 PEOPLE (302); LATE 10/84 - TERRELL TRAVELLED [REDACTED]
 MET WITH FDN MEMBERS (302); 11/84 - TERRELL TOLD POSEY TO
 RECRUIT CMA MEMBERS; TERRELL PAYS \$10,000 FOR LODGING OF OTHERS
 AND IS REIMBURSED BY CIA (302); 11/19/84 - TERRELL AND FIVE
 OTHERS GO [REDACTED] PRESS COVERAGE OF CMA ASSOCIATION
 WITH CONTRAS RESULTS [REDACTED] OFFICIALS ORDERING CMA OUT.
 (302); 12/15/84 - TERRELL WAITS [REDACTED] FOR WORDS FROM
 CMA (302); 12/16/84 - TERRELL GOES TO NEW ORLEANS WITH POSEY
 (302); 12/16/84 - 12/17/84- TERRELL GOES TO MIAMI (302);
 12/22-23/84 - POSEY MET LARRY SPIVEY, HOLLYWOOD PRODUCER,
 IN MIAMI; POSEY MEETS OLIVER NORTH (302); 12/21/84 - TERRELL
 MEETS JOHN HULL THROUGH ADOLFO CALERO; HULL DESCRIBED A "CIA
 CONTRACT ^{AS} MAN", GETTING \$10,000 PER MONTH FROM NSC; MEETS
 ROB OWENS WHO SAYS HE IS CIA; 1/1/85 - OWENS, HULL, TERRELL IN
 MIAMI (302); 1/4/85 - TERRELL AND OTHERS AT MEETING AT

SECRET

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

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TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
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PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

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- ☐ TOP SECRET
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Date _____

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PAGE FOUR DE WF 0002

S E C R E T

CALERO'S RESIDENCE WHERE ASSASSINATION OF EDEN PASTORA
 DISCUSSED (302); 1/6/85 - TERRELL AND JOE ADAMS [REDACTED]
 (302); 1/16/85 - TERRELL RETURNS TO MIAMI; MEETS POSEY
 AND DISCUSSION PASTORA ASSASSINATION ATTEMPT (302);
 1/20/85 - TERRELL GOES [REDACTED] (302); 2/25/85 - TERRELL
 GOES [REDACTED] (302); 3/15/85 - TERRELL TOLD TO LEAVE
 [REDACTED] BY U.S. CONSUL GENERAL; GOES TO MIAMI (302); [REDACTED]

3/24/86 - TERRELL MEETS REPORTERS IN WASHINGTON
 OR NEW ORLEANS (302); 3/25/86 - TERRELL INTERVIEWED BY FBI
 IN NEW ORLEANS (302); [REDACTED]

7/11/86 - TERRELL MEETS
 GLEN ROBINETTE IN WASHINGTON (ROBINETTE); [REDACTED]

IT SHOULD BE NOTED THAT THE VAST MAJORITY OF THIS INFORMATION
 IS UNCORROBORATED AND IS FOR INFORMATION PURPOSES ONLY.

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 (Number) (Time)

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TRANSMIT VIA:

- ☐ Teletype
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PRECEDENCE:

- ☐ Immediate
☐ Priority
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- ☐ TOP SECRET
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Date _____

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PAGE FIVE DE WF 0002

S E C R E T

H [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

WFO CASE AGENT IS OF THE OPINION THAT OLIVER NORTH, NATIONAL SECURITY COUNCIL SHOULD BE INTERVIEWED REGARDING HIS KNOWLEDGE OF SUBJECT.

REQUEST OF FBIHQ

CONTACT CIA FOR ROBERT OWENS (NO IDENTIFIERS EXCEPT CMA ASSOCIATION) AND JOHN HULL (NO IDENTIFIERS EXCEPT CMA ASSOCIATION) TO LEARN IF THEY HAVE AN OPERATIONAL INTEREST IN EITHER.

LEAD:

ALEXANDRIA AT ALEXANDRIA, VIRGINIA

CONDUCT CIA TRACES FOR ROBERT OWENS CCMA ASSOCIATION AND JOHN HULL (SAME).

CLASSIFIED BY: G-3; DECLASSIFY ON: OADR.

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TEXT:
 VZCZCWFO001

PP HQ AX [REDACTED] NO

DE WF 0001 2021540

ZNY 58395

P 210233Z JUL 86

FROM: SAC, WASHINGTON FIELD OFFICE [REDACTED]

TO: DIRECTOR, FBI PRIORITY

ATTN: CID/TERRORISM UNIT

CID/PERSONAL CRIMES UNIT

CI-2/INTELLIGENCE DIVISION

FBI, ALEXANDRIA (INFO.) PRIORITY

[REDACTED] G
 FBI, NEW ORLEANS [REDACTED]

PRIORITY

BT

SECRET

JACK REYNOLDS TERRELL, AKA COLONEL FLACO; [REDACTED] OO:WFO

ALL MARKINGS, NOTATIONS, AND ITEMS OF INFORMATION CONTAINED
 IN THIS COMMUNICATION ARE CLASSIFIED "SECRET" UNLESS OTHERWISE
 NOTED.

RE WFO TEL TO FBIHQ DATED 7/19/86.

SUMMARY OF WFO INVESTIGATION ON 7/19/86 FOLLOWS:

SURVEILLANCE COVERAGE FOR SUBJECT TERRELL, CORDELL, AND SAMPSON

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4323
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Route To
 (C-8) (P)
 Partially Declassified / Case in 4/20/88
 under processing of E.O. 12958
 by B. [unclear] [unclear] [unclear]

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CONFIDENTIAL
CONTINUED WITHOUT INCIDENT. NO MEETS OF SIGNIFICANCE ARE TO BE
REPORTED AND ATTEMPTS ARE BEING MADE TO IDENTIFY AN UNKNOWN FEMALE
ACCOMPANYING TERRELL ON INSTANT DATE. LOGS ARE BEING REVIEWED
FOR DEVELOPMENT OF OTHER PERTINENT ASSOCIATIONS.

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S. Footnotes 116, 117

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FEDERAL BUREAU OF INVESTIGATION

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F B

3256

Date of transcription

7/25/86

On July 22, 1986, Lieutenant Colonel OLIVER L. NORTH, Director for Political-Military Affairs and the Counterterrorism and Low Intensity Warfare Group of the NATIONAL SECURITY COUNCIL (NSC), was interviewed by the undersigned Special Agent and Assistant Special Agent in Charge of the FEDERAL BUREAU OF INVESTIGATION (FBI), Washington Field Office, at his office located in the Old Executive Office Building. After being apprised of the interviewers' identities and the purpose, NORTH furnished the following information:

NORTH stated he has never personally met JACK REYNOLDS TERRELL, but has heard about him through numerous sources. Among these sources, NORTH enumerated the following:

1) Approximately 18 months ago, Intelligence Officer for Nicaraguan Resistance, Northern Front, (First Name Unstated) [redacted] advised NORTH that TERRELL was [redacted] telling people he worked for NORTH. [redacted] told NORTH that TERRELL, known to him as "Colonel FLACO," was [redacted] in a training capacity and was purported to be brutal with the troops. NORTH advised that he recommended [redacted] go to [redacted] authorities to throw TERRELL out of the country. NORTH believed that TERRELL was thrown out [redacted] subsequent to this.

2) When NORTH was in Central America, he heard that FLACO was trying to bring guns [redacted] from Miami. Contacts advised NORTH that TERRELL was telling others he was retired from the UNITED STATES ARMY, Special Forces, and was formerly with the CENTRAL INTELLIGENCE AGENCY (CIA). NORTH stated he ran checks for both, which were negative.

3) NORTH stated TERRELL is to be a star witness in a 1986 civil suit filed in the Southern District of Florida in which a group of United States citizens are named as defendants.

4339

Investigation on 7/22/86

at Washington, D. C.

Washington Field

by SA ELLEN GLASSER &

ASAC DAVID G. BINNEY

EG:mye

Date dictated

7/25/86

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3257

FD-302a (Rev. 11-18-83)

Continuation of FD-302 of OLIVER L. NORTH; [REDACTED] , On 7/22/86 , Page 2

4) NORTH stated that TERRELL's name had surfaced in connection with a staff investigation being conducted by Massachusetts Senator JOHN KERRY.

5) While TERRELL's name has not come up, NORTH mentioned that in March, 1986, Washington Post Managing Editor LEONARD DOWNEY received obscene calls at night in which the caller used NORTH's name. DOWNEY wrote NORTH a letter advising him that if the activity did not stop, he would prosecute. NORTH stated that he did not make the calls, wondered who did, and stated he had responded to DOWNEY's letter with a letter offering assistance.

6) TERRELL has used OLIVER NORTH's name on television interviews.

[REDACTED]

G

SINGLAUB can be contacted at [REDACTED]

NORTH stated that he is acquainted with both Retired Air Force Major General RICHARD V. SECORD and GLENN ROBINETTE. SECORD runs an import-export business, but is also a consultant to the DEPARTMENT OF DEFENSE (DOD) as a member of the Special Operations Planning and Analysis Group. NORTH advised that SECORD is named in the Florida civil suit, and another suit and hired ROBINETTE, a security investigator, to learn information about TERRELL, the key witness in both suits. NORTH stated that he was aware of ROBINETTE's investigation and has talked to both ROBINETTE and SECORD about it, but he did not initiate the investigation. NORTH has denied media allegations that SECORD works for him and reiterated this point during the interview.

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Continuation of FD-302 of OLIVER L. NORTH; [REDACTED]

F B 3258
On 7/22/86 Page 3

On the evening of July 17, 1986, ROBINETTE called NORTH who asked him to do a favor. NORTH had been alerted by the FBI that the FBI sought to immediately locate TERRELL and NORTH asked ROBINETTE to meet with the FBI that evening. Before meeting FBI Special Agents, ROBINETTE met with NORTH in his office, giving him copies of documents, which ROBINETTE later also furnished to the FBI.

NORTH stated he has never met a DAVID MAC MICHAEL, whom he believed is associated with lobbying on Central America and has reported on "atrocities" in the last year. NORTH heard information through contacts that MAC MICHAEL [REDACTED]

NORTH advised that his NSC duties center around the coordination of interagency process within the NSC and carrying out policy. He has worked extensively in the area of Central American affairs and has played a large role in the "Nicaraguan Policy problem." NORTH stated that he strongly believes in a democratic resolution of Nicaraguan issues. He described himself as an "activist." He has a staff of four, two secretaries and two assistants.

NORTH stated that neither he nor his staff are responsible for funding, arming, or administering Contra programs. He stated that he is not involved with any covert operations being run in the United States. NORTH does travel extensively and meets openly with foreign leaders, including Nicaraguan Embassy Ambassador CARLOS TUNNERMANN. Other than NSC employees operating within the realm of their assigned duties, he stated he had no subordinates currently operating in the United States and knew of no one on his staff, to include himself, who was operating outside the scope of NORTH's jurisdiction.

On this date, NORTH furnished investigators with an original letter to him, dated June 27, 1986, from TOM POSEY, Head of the CMA.

UNCLASSIFIED
SECRET

CHAPTER 6. KEEPING "USG FINGERPRINTS" OFF THE
CONTRA OPERATION: 1984-1985

ch. 6 # 6 i 6-6 30

BARRY GOLDWATER, ARIZ. CHAIRMAN
 DANIEL PATRICK MOYNIHAN, N.Y. VICE CHAIRMAN
 JAMES GARN, UTAH
 JOHN H. CHAPPEL, AL.
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 DANIEL C. ROSTYKE, MASS.
 PATRICK J. LEAHY, VT.
 LLOYD BENTSEN, TEX.
 SAM NUN, GA.

United States Senate

SELECT COMMITTEE ON INTELLIGENCE
 WASHINGTON, D.C. 20510

HOWARD H. BAKER, JR., TENN. CH. OFFICE
 ROBERT C. BYRD, W. VA. CH. OFFICE

ROBERT A. BRADDOCK, STAFF DIRECTOR
 GARY J. SCHMITT, MINORITY STAFF DIRECTOR

April 9, 1984

UNCLASSIFIED

#84-1274

The Honorable William J. Casey
 Director of Central Intelligence
 Central Intelligence Agency
 Washington, D.C. 20505

Declassified on 3 FEB 88
 by E.O. 12356
 National Security Council

Dear Bill:

All this past weekend, I've been trying to figure out how I can most easily tell you my feelings about the discovery of the President having approved mining some of the harbors of Central America.

It gets down to one, little, simple phrase: I am pissed off!

I understand you had briefed the House on this matter. I've heard that. Now, during the important debate we had all last week and the week before, on whether we would increase funds for the Nicaragua program, we were doing all right, until a Member of the Committee charged that the President had approved the mining. I strongly denied that because I had never heard of it. I found out the next day that the CIA had, with the written approval of the President, engaged in such mining, and the approval came in February!

Bill, this is no way to run a railroad and I find myself in a hell of a quandary. I am forced to apologize to the Members of the Intelligence Committee because I did not know the facts on this. At the same time, my counterpart in the House did know.

The President has asked us to back his foreign policy. Bill, how can we back his foreign policy when we don't know what the hell he is doing? Lebanon, yes, we all knew that he sent troops over there. But mine the harbors in Nicaragua? This is an act violating international law. It is an act of war. For the life of me, I don't see how we are going to explain it.

My simple guess is that the House is going to defeat this supplemental and we will not be in any position to put up much of an argument after we were not given the information we were entitled to receive; particularly, if my memory serves me correctly, when you briefed us on Central America just a couple of weeks ago. And the order was signed before that.

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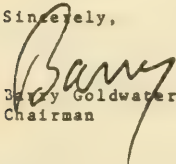
4959

UNCLASSIFIED

The Honorable William J. Casey
Page Two
April 9, 1984

I don't like this. I don't like it one bit from the President or from you. I don't think we need a lot of lengthy explanations. The deed has been done and, in the future, if anything like this happens, I'm going to raise one hell of a lot of fuss about it in public.

Sincerely,



Barry Goldwater
Chairman

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6-9

Chapter 6, Fact, etc. 9
(only part - not p. 1-3)

Executive Registry

85-2571/1

0616

**ADDENDUM TO PROCEDURES GOVERNING
REPORTING TO THE SENATE SELECT COMMITTEE
ON INTELLIGENCE ON COVERT ACTION**

General Council

86-02433

1. In accordance with Paragraph 10 of the Procedures Governing Reporting to the SSCI on Covert Action, executed on June 6, 1984, the SSCI and the DCI have jointly reviewed the Procedures in order to assess their effectiveness and their impact on the ability of the Committee and the DCI to fulfill their respective responsibilities under section 501 of the National Security Act of 1947.
2. The Committee and the DCI agree that the Procedures have worked well and that they have aided the Committee and the DCI in the fulfillment of their respective responsibilities. The Committee and the DCI also agree to add the following Procedures set forth below:
 - In accordance with the covert action approval and coordination mechanisms set forth in NSDD 159, the "advisory" format will be used to convey to the SSCI the substance of Presidential Findings, scope papers, and memoranda of notification.
 - Advisories will specifically take note of any instance in which substantial nonroutine support for a covert action operation is to be provided by an agency or element of the U.S. Government other than the agency tasked with carrying out the operation, or by a foreign government or element thereof. It is further agreed that advisories will describe the nature and scope of such support.
 - In any case in which the limited prior notice provisions of section 501(a)(1)(B) of the National Security Act are invoked, the advisory or oral notification will affirm that the President has determined that it is essential to limit prior notice. It is further agreed that in any section 501(a)(1)(B) situation, substantive notification will be provided to the Chairman and Vice Chairman of the SSCI at the earliest practicable moment, and that the Chairman and Vice Chairman will assist to the best of their abilities in facilitating secure

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-2-

notification of the Majority and Minority leaders of the Senate if they have not already been notified. It is understood that responsibility for accomplishment of the required notification rests with the Executive Branch.

- It is understood that paragraph 6 of the Procedures, which requires that the SSCI shall be kept fully and currently informed of each covert action operation, shall include significant developments in or related to covert action operations.
- The DCI will make every reasonable effort to inform the Committee of Presidential Findings and significant covert action activities and developments as soon as practicable.

3. In accordance with paragraph 4 of the Procedures, the DCI recognizes that significant implementing activities in military or paramilitary covert action operations are matters of special interest and concern to the Committee. It is agreed, therefore, that notification of the Committee prior to implementation will be accomplished in the following situations, even if there is no requirement for separate higher authority or Presidential approval or notification:

- Significant military equipment actually is to be supplied for the first time in an ongoing operation, or there is a significant change in the quantity or quality of equipment provided;
- Equipment of identifiable U.S. Government origin is initially made available in addition to or in lieu of nonattributable equipment;
- There is any significant change involving the participation of U.S. military or civilian staff, or contractor or agent personnel, in military or paramilitary activities.

4. The DCI understands that when a covert action operation includes the provision of material assistance or training to a foreign government, element, or entity that simultaneously is receiving the same kind of U.S. material assistance or training overtly, the DCI will explain the rationale for the covert component.

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-3-

5. The DCI understands that the Committee wishes to be informed if the President ever decides to waive, change, or rescind any Executive Order provision applicable to the conduct of covert action operations.

6. The Committee and the DCI recognize that the understandings and undertakings set forth in this document are subject to the possible exceptional circumstances contemplated in section 501 of the National Security Act.


7. The Procedures Governing Reporting to the SSCI on covert action, as modified by this agreement, will remain in force until modified by mutual agreement.


Chairman, SSCI

June 10, 1986
Date


DCI

June 17, 1986
Date


Vice Chairman, SSCI

June 5, 1986
Date

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Executive Security 7512

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This document is the property of the Senate and remains under its control through the Select Committee on Intelligence. It is provided for limited purposes related to congressional oversight of intelligence activities, on condition that it will not be released or otherwise disseminated without permission of the Committee. Permission is granted to provide it to the Executive Branch personnel whose official duties concern its subject matter, subject to these restrictions and controls.

Procedures Governing Reporting
to the Senate Select Committee on Intelligence (SSCI)
on Covert Action

The DCI and the SSCI agree that a planned intelligence activity may constitute a "significant anticipated intelligence activity" under section 501 of the National Security Act of 1947 (the "Intelligence Oversight Act of 1980") even if the planned activity is part of an ongoing covert action operation within the scope of an existing Presidential Finding pursuant to the Hughes-Ryan Amendment (22 U.S.C. 2422). The DCI and the SSCI further agree that they may better discharge their respective responsibilities under the Oversight Act by reaching a clearer understanding concerning reporting of covert action activity. To this end the DCI and the SSCI make the following representations and undertakings, subject to the possible exceptional circumstances contemplated in the Intelligence Oversight Act:

1. In addition to providing the SSCI with the text of new Presidential Findings concerning covert action, the DCI will provide the SSCI with the contents of the accompanying scope paper following approval of the Finding. The contents of the scope paper will be provided in writing unless the SSCI and the DCI agree that an oral presentation would be preferable. Any subsequent modification to the scope paper will be provided to the SSCI.

2. The DCI also will inform the SSCI of any other planned covert action activities for which higher authority or Presidential approval has been provided, including, but not limited to, approvals of any activity which would substantially change the scope of an ongoing covert action operation.

3. Notification of the above decisions will be provided to the SSCI as soon as practicable and prior to implementation of the actual activity.

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Exempt from GDS 7513

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-2-

C 0620

4. The DCI and the SSCI recognize that an activity planned to be carried out in connection with an ongoing covert action operation may be of such a nature that the Committee will desire notification of the activity prior to implementation, even if the activity does not require separate higher authority or Presidential approval. The SSCI will, in connection with each ongoing covert action operation, communicate to the DCI the kinds of activities (in addition to those described in Paragraphs 1 and 2) that it would consider to fall in this category. The DCI will independently take steps to ensure that the SSCI is also advised of activities that the DCI reasonably believes fall in this category.

5. When briefing the SSCI on a new Presidential Finding or on any activity described in paragraphs 2 or 4, the presentation should include a discussion of all important elements of the activity, including operational and political risks, possible repercussions under treaty obligations or agreements, and any special issues raised under U.S. law.

6. To keep the SSCI fully and currently informed on the progress and status of each covert action operation, the DCI will provide to the SSCI: (A) a comprehensive annual briefing on all covert action operations; and (B) regular information on implementation of each ongoing operation, with emphasis on aspects in which the SSCI has indicated particular interest.

7. The DCI and the SSCI agree that the above procedures reflect the fact that covert action activities are of particular sensitivity, and it is imperative that every effort be made to prevent their unauthorized disclosure. The SSCI will protect the information provided pursuant to these notification procedures in accordance with the procedures set forth in S.Res. 400, and with special regard for the extreme sensitivity of these activities. It is further recognized that public reference to covert action activities raises serious problems for the United States abroad, and, therefore, such references by either the Executive or Legislative Branches are inappropriate. It is also recognized that the compromise of classified information concerning covert activities does not automatically declassify such information. The appearance of references to such activities in the public media does not constitute authorization to discuss such activities. The DCI and the SSCI recognize that the long established policy of the U.S. Government is not to comment publicly on classified intelligence activities.

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Executive Registry

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-3-

C 0621

8. The DCI will establish mechanisms to assure that the SSCI is informed of planned activities as provided by paragraphs 1 through 4, and that the Committee is fully and currently informed as provided by paragraph 6. The DCI will describe the mechanisms to the SSCI.

9. The SSCI, in consultation with the DCI when appropriate, will review and, if necessary, refine the mechanisms which enable it to carry out its responsibilities under the Intelligence Oversight Act.

10. The DCI and the SSCI will jointly review these procedures no later than one year after they become operative, in order to assess their effectiveness and their impact on the ability of the DCI and the Committee to fulfill their respective responsibilities.

Robert J. Goldwater
Chairman, SSCI

06 JUN 80

Date

William J. Casey
DCI

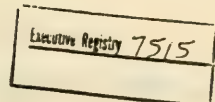
06 JUN 1984

Date

Red Union
Vice Chairman, SSCI

06 JUN 1984

Date

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6-13

Chapter 6 Form 13

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N 16907

NSC/ICS CONTROL NO. 400122

COPY NO. 1 OF 11

HANDLE VIA SYSTEM IV CHANNEL ONLY

ROUTING			
To	Name and Address	Date	Initials
1	R. C. McFarlane	2/21	M
2			
3			
4			
5			
6			

ACTION	FILE
APPROVAL	XX INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE

REMARKS:

NSC INTELLIGENCE DOCUMENT

For Declassified/Released on 1/20/88
under provisions of E.O. 12356
by 2. Regier, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

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NOTED 3/2/88
4263

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MEMORANDUM

SYSTEM IV
NSC/ICS-400122

NATIONAL SECURITY COUNCIL

N 16908
February 7, 1984~~TOP SECRET~~SENSITIVEACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH
ALTON KEEL

SUBJECT: Additional Resources for our Anti-Sandinista Program

Based on your guidance at our meeting this morning, we have prepared a memo from you to the President (Tab I) asking him to send a memo (Tab A) to those most concerned with this issue. Your memo provides straightforward background on the resource requirements and cites the need for a concerted effort in order to achieve success.

Today's events regarding the situation in Lebanon make the points in your memo--and subsequent action--even more imperative. If this program founders for lack of funds, we may very likely suffer a major foreign policy reversal with repercussions well beyond Central America.

Please note that Dr. Kissinger, in private meetings today with Speaker O'Neill and HPSCI Chairman Boland, defended this program most eloquently. He believes that with a well led and cooperative effort we can carry the day on this issue. He has not yet been made aware of the magnitude of our shortfall.

Congressional resistance on this issue is formidable to the degree that prospects for success are bleak even with a concerted effort. At some point, we may have to reassess our prospects and decide whether prudence requires that we somehow stretch out FY-84 effort to avoid running out of funds.

~~TOP SECRET~~
Declassify: OADRSENSITIVE**UNCLASSIFIED**

Par... y Declassified/Released on 1/20/87
under provisions of E.O. 12356
J. B. Reger, National Security Council

4263

~~TOP SECRET~~
UNCLASSIFIED

2

SENSITIVE

Because the President's memo cites the NSDD which we have just forwarded for transmission to the coast, we should ensure that Tab I and Tab A are held until the NSDD is received. This increases the urgency for getting a signed NSDD distributed to the principals. 15979

RECOMMENDATION

That you initial and DACOM your memo to the President with Tab A attached.

Approve ☒Disapprove ☐

Attachments

Tab I - McFarlane Memo to the President

Tab A - Presidential Memo to State, OSD, CIA, JCS

~~TOP SECRET~~~~TOP SECRET~~
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25 Jun 84

0340

E

OFFICE BANK ACCT

☐ NAME W/IN 24 HRS.

- NAME LET BANK KNOW OF AMT, SOURCE, OR DATE AVAILABILITY

- NO ONE IN OUR COUNTRY CAN BE HELD

- THE ORGANIZATION MUST NOT BE FULLY AWARE.

- TRANSFER W/IN 24 HRS

- CASE IN COMMUNICATION

BANK

RECEIVING ACCOUNT

NO MORE MONIES WERE IN COUNTRY

Partially Declassified/Released on 4/20/88
 under provisions of E.O. 12958
 J. B. Reger, National Security Council

UNCLASSIFIED

JOSE P. ADDABBO
87-1ST, NEW YORK

6-49

ADMINISTRATIVE ASSISTANT
DICK SEELMEYER

REPLY TO
2385 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON D.C. 20515
(202) 223-3481

DISTRICT OFFICE:
86-11 101ST AVENUE
OZONE PARK, NEW YORK 11418

Congress of the United States
House of Representatives
Washington, D.C. 20515

COMMITTEE ON
APPROPRIATIONS
SUBCOMMITTEES
CHIEFMAN, DEFENSE
TREASURY-POST OFFICE
MILITARY CONSTRUCTION
COMMITTEE ON
SMALL BUSINESS

UNCLASSIFIED

December 11, 1984

CH 6
#49

Honorable George P. Shultz
Secretary of State
Washington, D. C. 20520

Dear Mr. Secretary:

As you are aware, the recently enacted H.J. Res. 648, making continuing appropriations for fiscal year 1985, contains a prohibition regarding assistance to the "contras" fighting in Nicaragua. Recent reports have indicated that other countries are furnishing aid to the "contra" forces in order to keep them a viable military force exerting pressure on the Sandinistas. Of the countries identified in these reports as furnishing such aid, several are Central American neighbors of Nicaragua and are themselves recipients of U.S. foreign assistance funding. For example, El Salvador has been the recipient of increased U.S. aid since the election of President Duarte, and is identified in the reports as being one of the countries aiding the "contras". If these reports are accurate, I am concerned that countries receiving U.S. foreign assistance aid may be utilizing a portion of such aid to assist the "contras" and, in so doing, effect a rather devious contravention of the law prohibiting such aid.

I would appreciate receiving your thoughts on this issue as well as your assurance that no U.S. foreign assistance funding is being utilized to effect what amounts to "revolving door" aid to the "contras".

With best wishes,

Sincerely,

UNCLASSIFIED

Joseph P. Addabbo
Member of Congress

cc: Honorable Caspar W. Weinberger
Secretary of Defense

Honorable William J. Casey
Director of Central Intelligence

4731



United States Department of State

Washington, D.C. 20520

JAN 15 1985

UNCLASSIFIED

Dear Mr. Addabbo:

I am pleased to have the opportunity to respond to your letter of December 11 to the Secretary in which you expressed your concern that U.S. foreign assistance to Central American countries is being used to aid the anti-Sandinista forces, thereby circumventing the prohibition contained in the continuing resolution for FY 1985.

Our foreign assistance funds to Central American countries, as elsewhere, are monitored very closely to ensure that they are used for the purpose intended. In El Salvador, the management of U.S. military assistance is performed by the U.S. Military Group while the U.S. Agency for International Development (AID) mission manages economic and developmental assistance. We cannot determine or dictate how a nation expends its own resources; however, disbursement of funds and delivery of equipment through U.S. foreign assistance programs are closely supervised. To our knowledge, no U.S. foreign assistance funding or equipment provided through the Foreign Assistance Act is being diverted to the anti-Sandinista forces or a third country.

Sincerely,

W. Tapley Bennett, Jr.
Assistant Secretary
Legislative and Intergovernmental Affairs

Handwritten: ~~Handwritten~~ Case on 1/22/85
U.S.O. 12655
Handwritten: 1/22/85

UNCLASSIFIED

The Honorable
Joseph P. Addabbo,
House of Representatives.

Handwritten: 4732



THE SECRETARY OF DEFENSE
WASHINGTON, THE DISTRICT OF COLUMBIA

24 JAN 1985

UNCLASSIFIED

Honorable Joseph P. Addabbo
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Thank you for forwarding a copy of your letter to Secretary Shultz regarding the possibility that United States foreign assistance could be diverted to aid Anti-Sandinista forces constituting a circumvention of the prohibition of such aid contained in the Continuing Resolution of Fiscal Year 1985.

United States military groups are charged with managing the military assistance programs in-country and the delivery of equipment resulting from these programs is closely monitored. While each nation's sovereign interests determine how they expend their own funds, to the best of our knowledge no U.S. equipment provided through the Foreign Assistance or Arms Export Control Acts is being diverted to Anti-Sandinista forces.

Hopefully, this information meets your concerns in this matter.

Sincerely,

Sap

Marked: Don't sign
under pen. no. 12345
by P. [unclear] to certify C.

4733

UNCLASSIFIED

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON AGRICULTURE AND
RURAL DEVELOPMENT
SUBCOMMITTEE ON TRANSPORTATION

October 21, 1985

Dear Mr. McFarlane:

I am particularly concerned about two aspects of the recent revelations. First, early White House reports about these activities insisted that the Administration "neither encourages nor discourages" the private fundraising efforts. However, we now have evidence that these early reports were misleading and that the Administration's involvement was much more extensive than previously acknowledged. There have been reports that the President himself was aware of the existence of the plan to coordinate private donations within the Administration.

Second, I am concerned that the Administration's involvement explicitly contradicted Congress' intent that U.S. contributions to the contras cease in view of the U.S.' involvement in the mining of Nicaraguan harbors. There is evidence that private contributions, coordinated by the Administration, allowed the contras to continue their activities unabated despite the congressional funding ban.

In light of those revelations, I would appreciate an accounting from the National Security Council of its involvement in the creation of this aid network. Specifically, did your activities conflict with the terms of the Boland amendment, which explicitly prohibits U.S. covert actions for the purpose of overthrowing the Sandinista government? How extensive was the Administration's involvement in coordinating the network? Also, are there any efforts currently underway in the Administration to facilitate the sending of private donations to the Contras?

I look forward to receiving your response to my questions soon.

Sincerely yours,

Richard

Richard J. Durbin
Member of Congress

1964

From: KSKCM --CPUA
To: NSOLN --CPLA

Date and time

NOTED --CPLA

09/03/83 21:54:39
JOHN M. POINDEXTER

Chapter 6 Footnote 76

UNCLASSIFIED

N 3265

NOTE FROM ROBERT MCFARLANE
SUBJECT: Reply to Hamilton on Ollie's Activities

I have sent you both separately a draft letter I have composed to answer Lee Hamilton's letter on Ollie's activities. One or two annotations are appropriate. The reference to "insert 1" refers to paragraph one of page two of your draft. The "insert 2" refers to the second paragraph of page two. Please do not share either this note or the separate draft with anyone. Will will prepare a smooth version of it for me Wednesday morning. Please bring me any edits you have. Ollie, don't send me any PROFS notes about it. Many thanks.

6-76

Declassified/Released on 1/20/88
under provisions of E.O. 12356
J. R. Reger, National Security Council

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6-84

Footnote 84
thru 87

N 29803

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NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506Previously Declassified/Released on 1/20/82
under provisions of E.O. 12958
J. S. Reger, National Security Council

August 20, 1985

ACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: BRENDA S. REGER

SUBJECT: Barnes Request

Before we can decide how to respond to Congressman Barnes' request for documents, we must determine whether any exist and are retrievable and, whether they are White House or NSC.

In past instances of allegations of this kind (e.g. Billy Carter and Libya, Dick Allen, etc.) we have treated the request as broadly based for all records whether NSC or White House but have maintained them as separate issues within the request. At the same time, the search should be as narrowly focused as was the request. In this case, Congressman Barnes has focused on "...documents, pertaining to any contact between Lt. Col. North and Nicaraguan rebel leaders as of...October, 1984."

There is unlikely to be a great deal of documentation such as is described but we should search the files only on that basis. Fishing expeditions in all files relating to Central America and/or Nicaragua are NOT necessary to respond to the request.

Secretariat usually does searches in response to Congressional requests, but in this case I can have Donna search NSC and Presidential Advisory files by computer here in my office and ask Intel and CMC to do the same in their files. I will brief Jim Radzinski and Rod's person on how to conduct the narrowly defined search in their files.

Working files in staff member's offices are NOT subject to this or any other kind of searches since they are "convenience files" generally made up of drafts, and/or copies of documentation in the institutional and Presidential Advisory files. I therefore see no need to search whatever "convenience files" Ollie may have in his office.

Appointment logs and/or telephone logs however have become favorite targets of such inquiries (e.g. Zbig and staff in the Billy Carter thing, Wick, Ann Burford, etc.) and we must be prepared to deal with that issue. I wasn't involved in the handling of the issue for Zbig on Billy Carter but, as I recall they "created" an excerpt listing of times and dates of telecons and meetings Brezinski and other staff had from their logs rather than provide the logs themselves. (We could check Kimmitt's files and/or ask him or Brezinski if you like.)

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N 29804

It may be in our interest to be terribly forthcoming and bury Mr. Barnes in logs of dates and/or names re meetings and telecons or perhaps to offer to do so putting him on notice that the logs give times and dates but no substance.

Before we provide any response to Barnes, however, we need to know the scope of the documentation on contacts. Once we have that, the legal issues can be addressed.

Recommendation A

That you authorize me to start a search of the Secretariat, Intel, CMC files (both Presidential and NSC) as described above:

Approve ✓ SMP Disapprove _____

Recommendation B

That for now we limit the search on the appointment and telephone logs to Ollie sampling his telephone and appointment calendars to give us a sense of what they consist of and of the potential relevance to the request.

Approve ✓ SMP Disapprove _____

UNCLASSIFIED

ROUTING

Tc	Name and Address	Date	Initials
1	Robert McFarlane		
2			
3			
4			
5			
6			

<input checked="" type="checkbox"/> ACTION	FILE
APPROVAL	INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE

REMARKS

cc: Oliver North (#2 and 3)
Ken deGraffenreid (#4)
Jim Radzinski (#5)

Chapter 6, Footnote 95

#62 7636

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~~TOP SECRET~~

N 16885

NSC/ICS CONTROL NO. 401214

COPY NO. 1 OF 5

6-95

HANDLE VIA SYSTEM IV CHANNEL ONLY

NSC INTELLIGENCE DOCUMENT

Partially Declassified/Released on 5 May 82
Under provisions of E.O. 12958
by D. Rose, National Security Council

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

~~TOP SECRET~~
UNCLASSIFIED
~~TOP SECRET~~

The White House

System # IIIPackage # 401214**UNCLASSIFIED**

1403

	SEQUENCE TO	HAS SEEN	DISPOSITION
Paul Thompson	<u>1</u>	<u>PT</u>	<u>N</u> 16886
Bob Kimmitt	<u>2</u>	<u>K</u>	
John Poindexter	<u>3</u>	<u>C</u>	
Tom Shull		<u>/</u>	
Wilma Hall	<u>4</u>		
Bud McFarlane	<u>5</u>	<u>M</u>	<u>A</u>
Bob Kimmitt			
NSC Secretariat <u>Jim</u>	<u>7</u>		<u>R</u>
Situation Room		<u>J</u>	
<div style="border: 1px solid black; padding: 2px;"> I = Information <u>A = Action</u> R = Retain D = Dispatch N = No further Action </div>			

cc: VP Meese Baker Deaver Other _____

COMMENTS

Should be seen by: _____
(Date/Time)**UNCLASSIFIED**

MEMORANDUM

UNCLASSIFIED
NATIONAL SECURITY COUNCILSYSTEM IV
NSC/ICS-401214

December 4, 1984

ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

N 16887

FROM: OLIVER L. NORTH

SUBJECT: Assistance for the Nicaraguan Resistance

In accord with prior understanding, I met on Wednesday, November 28, with [redacted] Defense Attache, Embassy of the [redacted] Gaston Sigur arranged the luncheon meeting at the Cosmos Club and was present throughout.

As agreed, I explained to [redacted] our purpose in the meeting was to clarify questions which had been raised in Canada regarding an arms transaction destined [redacted] I explained that an intermediary had advised that [redacted] apparently made a decision not to proceed with the Canadian-originated arms sale. This offer of purchase included 10 SA-7 missile launchers [redacted] 30 missiles, 1 training unit, and 10 tracking units.

[redacted] professed to be unaware of the Canadian transaction. I advised him that the purchase was not really intended for use by [redacted] but rather for the Nicaraguan Resistance Forces. Further, the intermediary had indicated that the problem appeared to be the number [redacted] military officers who are graduates of the [redacted] As a consequence of the apparent reluctance to proceed with the sale showing [redacted] end user certificate, the Canadian arms dealer is preparing to re-initiate discussions for a similar delivery. [redacted] was advised that the FDN would prefer to have the delivery as soon as possible, since the Soviet HIND-D helicopters were being assembled as we spoke.

[redacted] was further advised that Adolfo Calero, the Head of the FDN, was willing to commit to a recognition [redacted] once the Resistance Forces had succeeded. [redacted] Indicated that he understood the message and would confer with the [redacted]

[redacted] He observed, for the record, that [redacted] refused to become involved, in any way, in the internal affairs of another country. I indicated that we fully appreciated this position and noted that it was too bad that the Soviets, Bulgarians, and East Germans involved in Nicaragua did not feel the same way.

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Declassify: OADR

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~~TOP SECRET~~

2

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Later that afternoon, MGEN Jack Singlaub (U.S. Army, Retired) visited to advise of two meetings he had held early in the day regarding support for the Resistance. Singlaub passed on the following points:

Meeting with [REDACTED]

N 16888

- The FDN is in urgent need of anti-aircraft weapons and other crew-served weapons ammunition (particularly 60 and 81mm mortar rounds). Units in the field are also in need of large quantities of boots and clothing since the number of ralliers has exceeded expectations by 2,000.
- The Resistance Forces are also in urgent need of expertise in maritime operations.
- The USG is unaware of the Singlaub mission and he is making this request based on his long friendship, [REDACTED] Because of the law restricting USG involvement, no USG official can solicit on behalf the Resistance Forces.
- If [REDACTED] like to help, Singlaub can arrange a meeting with Adolfo Calero. If it is necessary for a USG official to verify Calero's bona fides, this can be arranged.

Meeting with [REDACTED]

- By agreement with Calero, Singlaub advised, [REDACTED] since [REDACTED] had turned down the earlier FDN request for assistance, [REDACTED] the Resistance movement had approached [REDACTED].
- The Resistance still is in need of financial support, munitions, and training assistance.
- [REDACTED] this was a "considerably different situation" than that which he had been aware of earlier. While not committing to support, he noted to Singlaub that this new information might make a difference, [REDACTED]



~~TOP SECRET~~

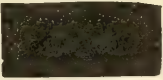
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~~TOP SECRET~~

3

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 7
This weekend, at the request of Sec. John Lehman, I met with N 16889.
David Walker, a former British SAS officer who now heads two
companies (KMS and SALADIN) which provide professional security
services to foreign governments. Walker had been approached
several months ago, prior to initiating the current financial
arrangement for the FDN. In addition to the security services
provided by KMS, this offshore (Jersey Islands) company also has
professional military "trainers" available. Walker suggested
that he would be interested in establishing an arrangement with
the FDN for certain special operations expertise aimed
particularly at destroying HIND helicopters. Walker quite
accurately points out that the helicopters are more easily
destroyed on the ground than in the air. 

Unless otherwise directed, Walker will be introduced to Calero
and efforts will be made to defray the cost of Walker's
operations from other than Calero's limited assets. 

~~TOP SECRET~~

UNCLASSIFIED

MEMORANDUM

UNCLASSIFIED

Chapter 6 Footnote 123

SYSTEM IV
NSC/ICS-400300

NATIONAL SECURITY COUNCIL

March 20, 1985

N 40301

SECRETACTION

6-123

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Timing and the Nicaraguan Resistance Vote

Attached at Tab A is the most recent version of the chronology of events aimed at securing Congressional approval for renewed support to the Nicaraguan Resistance Forces. This schedule results from the four communications/media meetings we have now had with Pat Buchanan's ad hoc working group. Please note that the schedule continues to focus on a vote at the end of April triggered by submission of the required report on or about April 15.

In addition to the events depicted on the internal chronology at Tab A, other activities in the region continue as planned--including military operations and political action. Like the chronology, these events are also timed to influence the vote:

- planned travel by Calero, Cruz, and Robelo;
- various military resupply efforts timed to support significantly increased military operations immediately after the vote (we expect major Sandinista crossborder attacks in this timeframe--today's resupply to [REDACTED] from [REDACTED] went well); and
- special operations attacks against highly visible military targets in Nicaragua.

Some of these efforts will proceed whether or not the vote occurs as planned at the end of April. For example, today Bernardario Larios, former Sandinista Defense Minister, defected to Costa Rica and is now in Panama (you were briefed on this operation during the trip). Others, however, including actions by U.S., interests groups are very sensitive to the timing. Next week the networks auction their air time for 15, 30, and 60 second commercials during prime viewing hours. These groups are prepared to commit nearly \$2M for commercial air time and the

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under provisions of E.O. 12356
J. S. Reger, National Security Council

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2

N 40302

production of various advertising media. If we are to retain their support, we must let them know by Friday whether or not they should proceed. To the maximum extent we have tried to prevent the kinds of errors that will cost them financially or politically. Unfortunately, some, like the Young Republicans ad, get through--this has been fixed.

It is important that a decision be taken no later than noon, Friday, March 22, if we are to proceed with the events in the checklist (Tab A) and those activities which support a vote at the end of April.

Senator Durenburger plans to make a major speech on this issue at the National Press Club next Tuesday, March 26. We should at least give him a sense of what to expect before he speaks.

You should also be aware that Director Casey has sent a personal note to Don Regan on the timing matter. We are attempting to obtain a copy for your use.

Worthlind has apparently completed an analysis on some recent polling data. It reportedly does not look good for a vote at this time.

Finally, Jim Michel reminds that in your meetings with the Central American Heads of State you told them that we would be quiescent during the early Spring, but that in April we would act. This description fits either scenario--going for the vote or a fallback option with sanctions. One way or the other, we need to have a decision.

RECOMMENDATION

That you discuss this matter with Don Regan and urge that a decision be made on timing by noon on Friday, March 22.

Approve _____

Disapprove _____

Attachments

- Tab A - Chronological Event Checklist (dtd March 20, 1985)
- Tab B - Young Republicans Ad

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6-140

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6-159

PATRICK J. LEAHY

Chapter 6 F2028 159

P850147-1018

P850147

United States Senate

WASHINGTON, DC 20510

F2028

 AGRICULTURE, NUTRITION, AND
 FORESTRY
 APPROPRIATIONS
 JUDICIARY
 THE SENATE
 INTELLIGENCE

 ACTION
 is assigned to

 ACTION
 is assigned to

September 9, 1985

Dear Fellow Vermonters:

The Reagan Administration's support for the contra insurgents against Nicaragua continues to harm the interests of the United States in Central America. We should be promoting peace, political stability, economic development, and the strengthening of democratic institutions there. Instead, the Administration relies on outdated oligarchies, corrupt governments, unjust social and political systems, and military power as the tools of American policy.

Last year, those of us concerned about this policy finally persuaded Congress to stop any U.S. military assistance to the contras. Unfortunately, Congress recently lost its nerve and approved the President's request for \$27 million so-called "humanitarian" assistance to the rebels. This is a smokescreen. Every dollar the contras do not have to spend on subsistence, they can use to buy more arms and munitions. Also, no matter how vigilant we are, the contras probably will divert some of the aid to military purposes.

While the ban on U.S. assistance to the contras was in effect, private groups and donors in this country gave money to support the insurgency. I was disturbed by charges made in the press, and privately to me, that a military officer on the National Security Council staff was involved in channeling private funds to the contras, and even in offering them political and military advice. In my capacity as Vice Chairman of the Intelligence Committee, I immediately wrote Senator Dave Durenberger, the Chairman, that we should determine the facts of the case to see whether there had been any violation of U.S. law.

On September 5, the Chairman and I met with Robert McFarlane, President Reagan's National Security Advisor, a supervisor of the NSC staff person in question. He said he had pursued these allegations, and assured us that no law had been broken. Mr. McFarlane said that the officer had frequently received calls from persons wishing to donate funds, and that he referred them to the contra leaders themselves. He insisted that the officer never solicited funds, encouraged donations or initiated contacts with potential donors. He further denied that the officer, in several personal meetings with contra leaders, both in Washington and in Central America, ever offered military advice. The officer's authorized role, Mr. McFarlane said, was to assure the contras during the time of the congressional aid cutoff of the President's continued moral support.

(2)

(No page included)

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 TUMP, ARIZONA
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U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE
 ON INTELLIGENCE

WASHINGTON, DC 20515

6-162

September 18, 1985

UNCLASSIFIED

Honorable Leon E. Panetta
 339 Cannon House Office Building
 Washington, D.C. 20515

Dear Leon:

Thank you for your letter regarding press reports that a member of the National Security Council staff engaged in activities which might have been in violation of the Boland Amendment.

The Committee looked into those allegations and met with Mr. McFarlane, the Assistant to the President for National Security Affairs. He said that the President had made clear that everyone in the Executive Branch had to comply with the Boland Amendment.

Mr. McFarlane further stated that he had conducted a thorough investigation into the allegations made about the NSC staff. He believes, based on his investigation and his conversation with the NSC staffer mentioned in the press stories that the staffer had not:

-- given military advice of any kind to the contras; or

-- solicited, accepted, transmitted or in any other way been involved with funds for the contras.

At this time, the Committee does not have any information to contradict Mr. McFarlane except several unsubstantiated news stories. The Committee will continue to monitor this situation and take such action as seems warranted.

With best wishes, I am

Sincerely yours,

Lee H. Hamilton
 Chairman

~~Verbatim, dated 10/1/85~~ Section 112688
 under provisions of E.O. 12388
 by B. Rogers, National Security Council

CH 6

#162

4736

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6-163

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2052

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6-164

PILP: SEEN

HITF HOUSE - COMMUNICATIONS AGENCY

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6/164

4735

Partially Declassified, released on 4/22/08
under provision of E.O. 12256
by B. 2008, National Security Council

6-169

CLASSIFIED AT TIME OF PUBLICATION.

CHAPTER 7. KEEPING "USG FINGERPRINTS" OFF THE
CONTRA OPERATION: 1986

(1957)

1563 05M

UNION STREET

UNIVERSITY

From 1960 to 1969, the number of deaths from cancer in the United States rose from 1,000,000 to 1,300,000. The increase was due to a number of factors, including an increase in the number of people living longer, a change in the pattern of smoking, and a change in the pattern of diet. The increase in the number of people living longer was due to a number of factors, including a decrease in the number of people dying from heart disease, a decrease in the number of people dying from cancer, and a decrease in the number of people dying from other causes. The change in the pattern of smoking was due to a number of factors, including a decrease in the number of people smoking, a change in the pattern of smoking, and a change in the pattern of diet. The change in the pattern of diet was due to a number of factors, including a decrease in the number of people eating, a change in the pattern of eating, and a change in the pattern of diet.

[illegible]

07/05/06 10:06:07

861487

Chapter 7-13/15 13, 14, 15

HOW YOU ARE GETTING EMOTIONAL AGAIN. I WOULD HELP IF YOU WOULD CALL MORSE
POINTER AND JERRY O'LEARY AND TELL THEM TO CALL OFF THE DOGS. TELL THEM ON
DEEP BACKGROUND, OFF THE RECORD, NOT TO BE PUBLISHED THAT I JUST WANTED TO
LOWAN YOUR VISIBILITY SO YOU WOULDN'T BE SUCH A GOOD TARGET FOR THE LIBS. AS
IT HAS WORKED OUT BOTH YOU AND VINCE WILL REPRESENT NSC ON ELLIOT'S GROUP.
DON'T GO INTO DETAIL. I DO NOT WANT YOU TO LEAVE AND TO BE HONEST CAN NOT

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N 12568

FILE: JULBO OFSLOGCI AD WHITE HOUSE COMMUNICATIONS AGENCY

APPROX TO LET YOU GO. BY THE WAY I'M NOT ASKING A BIG FINE BY CALLING AND
A SOFT LINE. WE TALKED WITH STAN TUCKER AND DARRIN AS MUCH AS I DO.

NEW YORK, I CAN SEE JACK GALVIN THIS AFTERNOON.

MSG FROM: NSJMP --CPUA 07/15/66 14:07:02
TO: NSOLN --CPUA

*** Reply to note of 07/15/66 12:21

-- SECRET --

NOTE FROM: JOHN FOLIN
SUBJECT: PRIVACY FLANK CHECK
LET ME KNOW HOW THE CALLS GO.
S PRIVATE FLANK CHECK
MSG FROM: NSJMP --CPUA 07/15/66 14:09:02
TO: NSOLN --CPUA
TO: NSOLN OLLIN NORTH

NOTE FROM: JOHN FOLIN
SUBJECT: JACK GALVIN
I WILL SEE JACK GALVIN NEXT WEEK WHEN HE IS IN TOWN.

-- SECRET --

CC: NSJMP --CPUA PAUL THOMPSON BEB6 --CPUA FLORENCE GAWT
NSJMP --CPUA WONA PROCTUB

1 JACK GALVIN --CPUA
MSG FROM: NSOLN --CPUA 07/15/66 12:21:30
TO: NSJMP --CPUA

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Partial Declassification based on 12/4/1988
under provision of E.O. 12958
By P. Regan, National Security Council

4233

JMP 5/68 46

Chapter 1 FN 13, 14, 15

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*** Reply to note of 07/15/86 14:08
 Note from: OLIVER NORTH
 Subject: PRIVATE BLANK CHECK
 Have called both Containe and O'Leary. Wish my access was as good as
 advertised, neither have yet returned my calls. Will report results as soon as
 contact is established. 15J passed to Gen Galvin re my. Many Thanks.
 PRIVATE BLANK CHECK
 MSG FROM: NSJMP --CPVA TO: NSJMP --CPVA
 TO: NSJMP --CPVA JOWH M. PCLIBREX
 07/15/86 18:45:20

N 12569

JME 5/88 (8)

4234

Partially Declassified / Released on 12 JAN 1988
 under provisions of E.O. 12356
 by B. Roger, National Security Council

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7-28 18

N 17526

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UNITED STATES GOVERNMENT

Question 1299 CS
 Q: Now, you said that there's about 315,000 men
 being a special feature on control... called to ask for an MSC
 from what I can gather, that special agent Robert Hall has been beating
 around on the fact that... he was involving people... from the
 to friends that... to investigate you and I don't know... however, that is
 back to get back to them on the... I don't know... but it
 account, with that... give them the... response...
 with this... and get with you to get on... on just...
 with the... been... I know you all have...
 with the... but I don't... is just a...
 that... you two could... and get back to me, many thanks.

CC: SHAP --CPH

Question 1299 CS

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 Under provision of E.O. 12356
 By B. Roger, National Security Council

1232

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Chapter 7
FN # 30From: NSOLN --CPUA
To: NSKS --CPUA

Date and time

06/27/86 12:52:41

*** Reply to note of 06/27/86 11:12

NOTE FROM: OLIVER NORTH

Subject: Question from CBS

I have just had a chance to watch the W 57th piece. As far as I am concerned, it is the single most distorted piece of "reproting" I have ever seen. Hull does not allege that he knows me, does not confess to receiving money from me or anyone else at the NSC. The only charges made about the NSC are made by people who are in jail, on their way to jail or just out of jail. If this is supposed to be credible, then I'll eat my shirt. I have never met ANY of the accusers or had anything to do with any of them. Obviously, I know and have met several times with Eden Pastora. He does not allege any wrongdoing. I know Robert Owen - he was, up until the time it went out of business - a consultant to the State Dept. NHAO. He was not "paid off" \$50k, as alleged by an anonymous accuser, he was paid a salary and expenses for services he provided in delivering humanitarian aid for the USG on a State Dept. contract. Finally, their main "witness," Mr. Terrell was not called to appear before Sen. Kerry's inquisition - apparently because people have learned that Mr. Terrell was not, as he claimed, a former Special Forces Officer, nor a CIA agent, nor a "contra combat leader." In short, neither the witnesses nor the slanderous piece that CBS produced have any credibility whatsoever.

N 4951

7-30

~~_____~~ 6/27/1987
under provisions of E.O. 12356
by B. H. J. National Security Council

1682

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N1846
16/1

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7-52

FORM NO. 105 U.S. GOVERNMENT
7-72 12-64 121

U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE

ON INTELLIGENCE

WASHINGTON, DC 20515

LEE H. HAMILTON, MEMORANDUM, CHAIRMAN

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STEVEN L. SHARP, ASSOCIATE COUNSEL

August 12, 1986

CH 7

#52

Honorable Ronald D. Coleman
416 Cannon House Office Building
Washington, D.C. 20515

Dear Ron:

As you are aware, there have been numerous stories published in the press during the last year alleging that members of the National Security Council violated the Boland amendment prohibiting certain assistance to the contra fighting the government of Nicaragua. As a result of these allegations, you introduced a resolution of inquiry to compel the National Security Council to provide certain information so the Congress could make a determination as to whether or not the Boland amendment was violated during the time it was in effect.

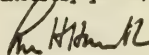
Because of the highly classified nature of the work of the National Security Council, the resolution of inquiry was referred to the House Permanent Select Committee on Intelligence. Members of the Committee, including myself, went to the White House to examine the issues raised by the resolution with Lieutenant Colonel Oliver North, a member of the National Security Council staff and one of the principal subjects of the resolution; the President's National Security Adviser; and other members of the NSC staff, including White House counsel. In addition, the Committee also examined other classified evidence concerning the resolution.

Based on our discussions and review of the evidence provided, it is my belief that the published press allegations cannot be proven.

The resolution of inquiry was the proper vehicle by which to bring these matters to the attention of the Congress and to this Committee, and we appreciate your efforts to remove doubts about United States activities.


With best wishes, I am

Sincerely yours,



Lee H. Hamilton
Chairman

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Chapter 1 FN-68

7-68

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6 Sep 86

8885 - Call from [REDACTED]

- Security number plans to make public wall role up [REDACTED] and alleged violation of [REDACTED] laws by Wall, Bacon, North, Seidel, et al

0002 - ^{Cont.} Call to Elliott Abrams, and sub. Lew Ent [REDACTED]

En. 4166

- Tel Aviv:

- never get lost in W.H.
- never get Sp of 1800 promised by McRaeon.

□ Hall: Albert Bacon

8884 - Call from Tamber

8884 - Call from [REDACTED]

- confirms that: just
- 4 people know about decision

- know - gov. govt. has made

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3292

Partially Declassified/Released on 10 Aug 87
under provisions of E.O. 12958
by P. Reger, National Security Council

CH
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1594

Partially Declassified / Released on 10/10/87
under provisions of E.O. 12356
by B. Reger, National Security Council

PAGE 180

UNCLASSIFIED

FILE: 10 WHITE HOUSE COMMUNICATIONS BUREAU

N 12159

2

09/07/86 11:10:45

To: White --CPA

See Reply to note of 05/06/86 15:31

NOTE FROM: JONAS POINDESTER

Subject: Iran
Thank you, Sir. You did the right thing, but let's try to keep it quiet. I
think it is a good thing, and I will talk to him about making such a
trip in October.
C Iran

2

UNCLASSIFIED

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**RADIO — TV
DEFENSE DIALOG**


Wednesday, October 8, 1986 (Broadcasts of October 7, 1986)

SUMMARY OF NETWORK NEWS IN THIS ISSUE

7-97+98

DEBATE BETWEEN GOVERNMENTS OF U.S. AND NICARAGUA: ABC, John McWethy reported reaction from Congress was mixed; included statements by Sen. Patrick Leahy and Rep. Robert Michel. NBC, Fred Francis and Bob Kur included statements by the Secretary of State, Sec. Abrams, Sen. Leahy.

PROTEST ON STEPS OF CAPITOL: NBC, Tom Brokaw reported that the plane incident had focused new attention on the four American veterans who are protesting US involvement in Central America.

ch. 7

F 97, 98

UNCLASSIFIED

4409

PREPARED BY THE AIR FORCE (SAF/AA) AS EXECUTIVE AGENT FOR THE DEPARTMENT OF DEFENSE TO BRING TO THE
ATTENTION OF KEY DOD PERSONNEL MATTERS WITHIN THEIR OFFICIAL RESPONSIBILITIES

Herbert J. Coleman, Chief, News Clipping & Analysis Service (SAF/AA) 695-2884

UNCLASSIFIED

ABC WORLD NEWS TONIGHT

ABC TV 7:00 p.m.

Furious Debate

MR. PETER JENNINGS: Good evening. There's a furious debate going on tonight between the governments of the United States and Nicaragua and it revolves on the question of whose cargo plane carrying ammunition to the anti-government Contras was shot down inside Nicaragua yesterday and who were the Americans on board working for? They'd apparently flown from El Salvador.

The Government of Nicaragua says it is proof of direct U.S. involvement in the war. The Reagan Administration says not true.

Our first report is from Nicaragua and here's ABC's Peter Collins.

MR. PETER COLLINS: The Sandanistas say the aircraft that went down was a Korean War vintage C-123. Informed sources close to the Contras confirm this and say they have been using these planes to drop ammunition and supplies by parachute to their men.

They crashed in rough and rocky terrain deep inside Nicaragua that can be reached only by Sandanista Air Force forces. The Sandanistas claim that four Americans were aboard the plane. They say three were killed and one survived. He is identified as Eugene Hasenfus, a Marine Vietnam veteran from

Marinette, Wisconsin. The Sandanistas quote him as saying that he is an American advisor based in El Salvador.

The Sandanistas also say the plane was carrying more than 50,000 rounds of small arms ammunition, rocket grenades, other weapons and boots.

MR. ALEJANDRO BENDANA (Secretary General Nicaraguan Foreign Ministry): I'm not saying that the U.S. Army is involved but this is obviously a CIA operation with CIA operatives. Whether they are U.S. Army personnel or not is almost beside the point.

MR. COLLINS: Newspapers here in Managua splashed huge headlines claiming the Sandanistas have kept one American advisor. The Sandanistas claim that a surfaced air missile of the Titan base series was used to shoot down the plane.

While denying that the U.S. Government had anything to do with it, the American Embassy here today asked the Sandanistas for more details about it. The Embassy also asked permission for diplomats to see the captured crewman and for the return of the bodies of the missing men.

Peter Collins, ABC News, Managua.

MR. JOHN McWETHY: This is John McWethy in Washington. The Reagan Administration denied any connections to the downed aircraft.

SECRETARY SHULTZ: The people involved were not from

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our military, not from any U.S. Government agency, CIA included.

MR. McWETHY: Reaction from Congress was mixed. Senator Patrick Leahy, a Democrat, is on the Senate Intelligence Committee and expressed concern that the CIA, while not directly responsible, could have been involved in other ways with the private group.

SENATOR PATRICK LEAHY: What concerns me very much is that they are connected with any of the adjunct soldier of fortune type operations, those which are sort of sent out there with a wink and a shrug as a way of going around our stated foreign policy.

REP. ROBERT MICHEL: That doesn't worry me one tinker's damn. I think it's a big to-do about nothing and all the media does is play it -- give them an opportunity to make their usual diatribe over issues.

MR. McWETHY: Eugene Hasenfus, the lone survivor of the crash is shown here in parachute gear with his brother 15 years ago. Eugene is now 45, according to the Pentagon. He was a Marine for 5 years in the early 1960s, was trained as a specialist in parachute rigging of air cargo in war zones. As a Marine, however, he never left the U.S.

His brother William said Eugene, after working construction for years in Wisconsin, had this past summer switched jobs moving to

Florida. Nobody knew Eugene was flying in Central America.

MR. WILLIAM HASENFUS: It came as a complete surprise because I just thought he was down in Miami working for an air freight outfit.

MR. McWETHY: The CIA has long worked with the Contra rebels but has been barred from providing guns and equipment paid for by the U.S. Government. Soon, the U.S. will provide \$100 million in aid to the rebels but even so, U.S. Government employees will be prohibited from operating inside Nicaragua.

John McWethy, ABC News, the State Department.

Military/Drug Smugglers

MR. JENNINGS: There has been something of an agreement today between the Senate and the House of Representatives on the final form of an anti-drug bill. The House and Senate negotiators have agreed on the death penalty for drug related murders. They also agree the military should not be used to try to stop smugglers at the nation's borders and they also agree that the illegally seized evidence may not be used in trials.

Please note: Due to technical difficulties, two tapes of CBS Evening news did not record; we are unable to provide coverage.

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However, the program was monitored as it was broadcast; it covered essentially the same stories as those included from ABC and NBC.

NBC NIGHTLY NEWS

NBC TV 6:30 P.M.

The Plane

MR. BROKAW: The Reagan Administration denies a connection with that plane shot down in Nicaragua but many questions do remain tonight.

Nicaragua continues to insist tonight that a cargo plane shot down in that country was on a CIA mission and that the lone American survivor. Secretary of State Shultz and the CIA however, say that is not true. But we do know tonight that the transport plane apparently loaded with combat gear was shot down Sunday in Southern Nicaragua. Not too far from the border of Costa Rica. It had taken off from El Salvador. Three Americans were killed when the US built C-123 was shot down.

The Sandanistas use a Soviet built portable missile. American cameras were taken to the crash site. They were shown the lone survivor who was

identified as Eugene Hasenfus, an ex-Marine who had worked for Florida air freight company. He talked about what happened.

REPORTER: Can you tell us how you came to be hear in Nicaragua?

MR. EUGENE HASENFUS: I was shot out of the sky.

REPORTER: Where did you plane that you arriving at originate?

MR. HASENFUS: El Salvador.

REPORTER: And what was it carrying?

MR. HASENFUS: We were carrying small arms.

MR. BROKAW: The Reagan Administration went to great lengths today to deny that the plane and the men in it were on an official mission for the US government. But NBC's Fred Francis, reports from the Pentagon now that government officials do know where the plane came from, who paid for it and where it was going.

SECRETARY OF STATE SHULTZ (Film): The people involved were not from our military, not from any US government agency, and CIA included.

MR. FRED FRANCIS: The Secretary of State is correct. But NBC News has learned from Administration and Contra officials that the White House has had full knowledge of this Contra cargo plane operation for more than a

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year. Those sources tell NBC News that he plane downed in Nicaragua was based here in El Salvador El Pango Airport. That it was piloted by American mercenaries. And financed by a foreign government friendly to US interests. NBC News has learned from administration and Contra officials that the rebels had been using this Salvadoran base to store supplies and airplanes for more than 18 months. The sources told NBC News that the aircraft a C-7 cargo plane took off Sunday night from El Pango Airport, skirted Nicaragua's Pacific Coast, crossed into Costa Rican airspace, then turned north into Nicaragua and dropped supplies to Contras near the town of Shauntlez before having engine trouble.

Most of the Contra's supplies are in large warehouses like this throughout Central America. The sources say that El Salvador is used a refueling stop, for repairs and for storing supplies, and a place for mercenaries to live.

And according to a Pentagon source Salvadoran President Duarte had condoned the gun running operation, even the he has publicly complained that Nicaragua is trying to subvert his government in much the same way. The man in charge of Central American

foreign policy, Elliott Abrams, today said, God Bless the person who survived because he is fighting for freedom.

MR. ELLIOTT ABRAMS (Assistant Secretary of State): What's kept the resistance alive really has been private citizens in this country and other countries who have contributed their time. And some very, very brave people who have been willing actually then bring this material into Nicaragua.

MR. FRANCIS: What Secretary Abrams did not say is that the Americans involved in the Salvadoran cargo operation were fighting for a price. Each man received several thousand dollars per trip into Nicaragua and at least two flights were made per month from the Salvadoran base. All financed by a friendly foreign government.

Eugene Hasenfus the man captured by the Sandnistas is a 35 year old ex-Marine from Marinett, Wisconsin who apparently joined the mercenary operation this summer.

MR. WILLIAM HASENFUS (Eugene's brother): He was a typical iron worker. Good old boy, had a few beers with the guys. He liked jumping out of airplanes, you know that was about as radical as he would get.

MR. FRANCIS: There are loopholes which allow

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Hasenfus and others to work as soldiers of fortune.

SENATOR PATRICK LEAHY (D-Vermont): What concerns me very much is that they are connected with any of the soldier of fortune type operations. Those which are sort of sent out there with a wink and shrug. As a way of going around our stated foreign policy.

MR. FRANCIS: The Contras have lived off the fund raising efforts of men like retired General John Singlaub, since CIA funds were cutoff in May of 1984. And they have used the expertise in connections of men like retired General Richard Secord. But Administration sources say, this is the first time a foreign power has spent millions covertly to carry out the President's policies. Fred Francis, NBC News the Pentagon. ****

MR. BROKAW: And today's developments focused fresh attention on a dramatic protest that has been underway against US policy in Central America for more than a month now. As NBC's Bob Kur reports tonight, four American Veterans are fasting and are spending part of each day on the Capitol steps to make their point.

MR. BOB KUR: For five weeks they have gathered on the Capitol steps each

afternoon for a vigil at dusk. In that time Charles Liteky has consumed nothing but water and vitamins. A fast in hopes of stopping US aid to Contra rebels in Nicaragua.

During the Vietnam War Liteky was known as the hero priest. He won the Medal of Honor for saving twenty men in a jungle fire fight. But later he left the priesthood and turned against that War. And last July he left his medal at the Vietnam Memorial in Washington to protest US military involvement in Central America.

Today Liteky and three other fasting Veterans, one from World War II, were invited by some Senators and Congressmen to come inside the Capitol. And today for the first time they drew a lot of attention.

SENATOR CLAIBORNE PELL (D-Rhode Island): I recall the Vietnam War, but as the individual actions of protestors, people in Vietnam itself, people who burnt themselves to death. Those are the things that turned around that policy in Vietnam.

MR. KUR: The four Veterans warned that continued US military involvement in Central America will mean another war like Vietnam, and they say they will fast until they die.

MR. CHARLES LITEKY: And

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If we cannot prevail upon your state of reason, your sense of reason and morale responsibility about this war and Nicaragua, it will happen over our dead bodies.

MR. KUR: Some call it emotional blackmail and say the tactic won't work.

MR. SAM MARULLO (Sociologist): I think the chance of them accomplishing their objective of stopping US support for the Contras in Nicaragua is close to zero.

MR. KUR: Even some of their supporters here are pleading with the Veterans to stop the fast. They tell them that they have made their point, that Congress is unlikely to vote on contra aide again until next year. Bob Kur, NBC, News at the US Capitol. ****

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CHAPTER 8. U.S.-IRAN RELATIONS AND THE HOSTAGES IN LEBANON
THIS CHAPTER DOES NOT CONTAIN FOOTNOTES.

CHAPTER 9. THE IRAN ARMS SALES: THE BEGINNING

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Manuchehr Ghorbanifar - aka Djafar Souzani, Ja'Far Suzani, Manouch [redacted], Manuel Pereira, Manouchehr Korbanifar, Nikol [redacted] DPOB: 9 May 1945, Tehran, Iran; also 1942, Isf [redacted] and 1938. He is an Iranian citizen. His occupation is export/import businessman. Formerly a Managing Director of Israeli-connected Star Line Shipping. He is a former Iranian Army Officer. He claims to have worked for SA [redacted]. He is believed to be in periodic contact with U.S. intelligence service [redacted].

[redacted] He is a self-proclaimed wheeler-dealer since his early 20's. Speaks excellent American and English. He has had a Portuguese Passport in name of Manuel Pereira issued on 3 October 1980 and valid until 3 October 1983, number 10596/80. Greek Passport number X-10723 in the name of Nikolaos Kralis issued 27 October 1981 in Stockholm and valid until 26 October 1986. Iranian Passport Number 11652209 in name of Ja'far Suzani. As of 1982 was said to have an Iraqi passport in an Arab name. He claims to be in a position to produce genuine passports of various nationalities.

Prior to the Iranian Revolution, Ghorbanifar had been an informant for Iranian Intel and claimed to have access to many senior ranking officers in the military as well as access to Iranian underworld characters of various illicit hues. As of late 1979 he was a member of Tahaan Komite and was able to travel freely between Europe and Iran in connection with his import/export business. He and his brothers Ali and Reza became implicated in abortive coup of 9 July 1980 which resulted in curtailment of this trips to Iran. Since that time he has been located primarily in Paris with his brother Ali but travels to Athens, Turkey and Iran for purpose of meeting with other exile leaders in support of his "group" in Iran. He claimed at one time to be closely affiliated with Shahpour Bakhtiar but later said he and his "group" were monitoring Bakhtiar, Madani and other exile groups.

On 17 March 1984 Ghorbanifar met with a CIA officer [redacted] and volunteered information on the Beirut kidnapping of COS, Beirut and on a plot to assassinate presidential candidates. He said he had stopped dealing with CIA in 1981 because the U.S. Government was not going to act on intel he was giving to bring down the Khomeini regime [redacted].

On 18 March 1984 he was polygraphed [redacted] to determine the veracity of his information. He failed the exam on significant issues of fabrication and he deliberately provided false info on the Beirut kidnapping and assassination plot. At the request of U.S. Secret Service he was re-polygraphed on 12 June 1984 and again failed the exam. His reactions indicated he was practicing deception on all relevant questions concerning plot to assassinate presidential candidates.

In 1985 Ghorbanifar was cited by Cyrus Hashemi as one of the latter's influential contacts and as an official of Iranian Intelligence who was interested in negotiating settlement of the hostage issue.

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PAGE 001
 TOT: 25 JUL 84 DIRECTOR 023056

SECRET
 STAFF 25 JUL 84 023056
 TO:

4559

SUBJECT: FABRICATOR NOTICE - MANUCHEHR (GORBANIFAR) subject of burrotic

1. MANUCHEHR ((GORBANIFAR)), AKA QJAFAR SOUZANI, JA'FAR SUZANI, MANOUCH SOUZANI, MANUEL PEREIRA, MANOCHEER KORBANIFAR, NIKOLAOS KRALIS. DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN; CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR PERATELI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U.S. INTELLIGENCE SERVICE.

DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR. ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER. DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE - [REDACTED] AFSHARI NOORI CITY. BROTHERS: (1) ALI GORBANIFAR, [REDACTED] BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN, AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10696/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 1980 SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN AN INFORMANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MANY SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO MANY UNDERWORLD CHARACTERS OF VARIOUS ILICIT HUES. AS OF LATE 1979 HE WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY BETWEEN EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSINESS. THEN HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECAME IMPLICATED IN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI. BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

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TOT: 25 JUL 84

DIRECTOR 023056

MONITOR [REDACTED] AND OTHER EXILE GROUPS.
FOR YOUR INFORMATION ONLY: [REDACTED]

[REDACTED] IN JANUARY 1980 [REDACTED] INTRODUCED
HIS [REDACTED] OFFICER, [REDACTED]
[REDACTED] THUS HE BECAME A [REDACTED] SOURCE
ON [REDACTED] MATTERS UNTIL ABOUT
FEBRUARY [REDACTED] PERIOD HE WAS MET BY [REDACTED]
[REDACTED] AND PROVIDED SOME USEFUL INFORMATION ON
[REDACTED] WELL AS PERSONALITIES IN IRAN.

[REDACTED] HE HAD A HISTORY OF PREDICTING EVENTS AFTER
THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL
USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM
CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS
EXCLUSIVE INTEREST IN ACQUIRING MONEY.

[REDACTED] FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT
MET WITH A [REDACTED] OFFICER [REDACTED] AND VOLUNTEERED INFORMATION
ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE
PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH
[REDACTED] IN 1981 BECAUSE [REDACTED] WAS NOT GOING TO ACT ON INTEL HE
WAS GIVING TO BRING DOWN THE KHOMENI REGIME.

[REDACTED] ON 18 MARCH 84 HE
WAS [REDACTED] TO DETERMINE VERACITY OF HIS
INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION
AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND
ASSASSINATION PLOT. AT REQUEST OF [REDACTED] HE WAS [REDACTED] ON 12 [REDACTED]
JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS
PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO
ASSASSINATE PRESIDENTIAL CANDIDATES.

SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR. TV EXAM FOR RELEASE

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TOT: 25 JUL 84 DIRECTOR 023056

AND A NUISANCE REPORTED BY APPROACHES BY SUBJECT OR HIS BROTHER
ALI SHOULD BE TAKEN SERIOUSLY.

5. [REDACTED] ARE ALSO BEING
NOTIFIED [REDACTED] ABOVE INFORMATION [REDACTED]

6. [REDACTED]
ALL SECRET [REDACTED] DECL QADR DRV HUM 4-82.
ORIG: NE [REDACTED]

REL: CME (). CL

END OF MESSAGE

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Date 27 March 87

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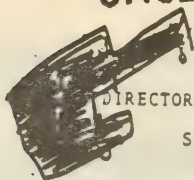
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24 January 1984



DIRECTORATE OF OPERATIONS

SPOT REPORT

SUBJECT: Army Intelligence and Security Command Report on Iranian Terrorism

1. Army Intelligence and Security Command (INSCOM) has disseminated a report (IIR 2 762 0006 84) dealing with Iranian terrorist organizations, plans and activities. The information in this report is quite detailed in some respects and somewhat sensational.

[REDACTED]

125-87
 2. Information available to us indicates that the INSCOM source is an individual who has not always reported reliably in the past, yet who has occasionally provided useful information. He has been the source of other reporting on Iranian terrorism, some of which appears to have been repeated in this report. We are not certain of the precise subsource of this report.

[REDACTED]

we believe that one of the subsources of this particular report is the youngest brother of an individual who was handled as a joint source.

[REDACTED]

When passing us terrorist information sourced to him in December 1983 they noted that terrorist information he provided in the past had generally proved reliable, though much of the other reporting has been suspect.

3. Due to our concerns about the sourcing of the INSCOM report in question, we are asking appropriate comment.

[REDACTED]

4561
 WARNING NOTICE
 INTELLIGENCE SOURCES
 OR METHODS INVOLVED

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Orig: [REDACTED]

24 Jan 84)

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TOR: 19 MAR 84

SECRET 19 MAR 84 STAFF

CITE

TO:

SUBJECT:

REFS: A.
B.

1. REF A NOTES THAT ACCORDING TO [REDACTED]
 [REDACTED] ENGINEERED THE KIDNAPPING OF BUCKLEY IN BEIRUT
 AND THAT [REDACTED]

2. [REDACTED]
 BUT BELIEVE THAT IN LIGHT OF [REDACTED] POOR PERFORMANCE ON
 THIS CAN BE SEEN AS ANOTHER INDICATION OF HIS DECEPTION.

3. FIL [REDACTED] DECL OADR DRV HUM 4-82 ALL SECRET.

END OF MESSAGE

SECRET

Partially Declassified, Reason: 1/2/88
 Under provisions of E.O. 12958
 By B. Regan, National Security Council

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Date: 22 March 88
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To: [REDACTED]

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TOR: 2 MAR 84 IM 3690367**SECRET 21** MAR 84 STAFF

CITE

TO:

SUBJECT:

REF: A.
B.

3. REF A AND RELATED TRAFFIC REPORTED OF WHO HAD VOLUNTEERED INFORMATION ABOUT POSSIBLE LOCATION OF KIDNAPPED AMERICAN DIPLOMAT WILLIAM BUCKLEY AND ABOUT AN ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. WAS TESTED ONLY ON THE INFORMATION ABOUT BUCKLEY BECAUSE OF THE LIMITED TIME ALLOWED TO CONDUCT BEFORE ONWARD TRAVEL. RESULTS SHOWED DECEPTION REGARDING SEVERAL KEY ELEMENTS OF STORY.

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Date 27 March 87

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4. FILE:

DECL OADR DRV HUM

4-82.

COMMENT: RELAYED INFO

PER

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TOT: 10 MAR 84

DIRECTOR 876494

SECRET

STAFF 1000 DIF

TO:

SUBJECT: PLANS TO ADMINISTER

REFS: A.

B.

DO 88981

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1. YOUR PLAN TO ADMINISTER (IDEN A) IS EMINENTLY DESIRABLE. WE CAN FIND NO INDICATION THAT THIS HAS BEEN DONE PREVIOUSLY.

2. [REDACTED] WAS BORN 1945 IN IRAN, IN ISPAHAN, HE IS MARRIED. FROM 1979 TO EARLY JULY 1980 HE TRAVELED FREQUENTLY TO LONDON FROM IRAN AS AN EMPLOYEE OF AN IRANIAN BASED IMPORT/EXPORT FIRM. PRIOR TO THIS HE WAS MANAGING DIRECTOR OF STAR LINE SHIPPING CO., WHICH BECAME A "JOINT IRANIAN/ISRAELI VENTURE" IN LATE 1980. IN LATE 1979 HE WAS SAID TO BE A MEMBER OF THE "TEHRAN KOMITE", UNTIL ABOUT FEB 1981 [REDACTED] WAS A SOURCE

OF ABOUT ONE YEAR [REDACTED] WAS MET BY [REDACTED] OFFICER [REDACTED] OVER A PERIOD OF [REDACTED] DURING THIS TIME HE PROVIDED SOME USEFUL INFORMATION

(PRIOR TO THE IRANIAN REVOLUTION, [REDACTED] WAS AN INFORMANT FOR [REDACTED] AND SAVAK AND HE RETAINS MANY CONTACTS FROM THOSE DAYS.) [REDACTED] WAS IMPLICATED IN THE FAILED COUP OF 8 JULY 1980, AS WERE BOTH OF HIS YOUNGER BROTHERS (IDENS B AND C). [REDACTED] HE COULD NO LONGER TRAVEL TO IRAN BUT CONTINUED TO TRAVEL FREQUENTLY TO PARIS, ATHENS, TURKEY AND IRAQ. HE CLAIMED THIS WAS FOR THE PURPOSE OF MEETING WITH OTHER EXILE LEADERS, MAKING DEALS FOR MONETARY AID AND PURCHASING SMALL WEAPONS AND EXPLOSIVES REPORTEDLY FOR HIS "GROUP" IN IRAN.

THAT HE WAS REGARDED AS CURIOUSLY WELL INFORMED AND WELL CONNECTED.

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TOT: 18 MAR 84 DIRECTOR 876494

HE HAS STATED THAT HE MONITORS EXILE GROUPS IN PARIS BUT IS NOT AFFILIATED WITH ANY OF THEM.

4. THOUGH SEEN MOST OFTEN AS A "RUMOR MONGER OF OCCASIONAL USEFULNESS," HE HAS BEEN THE SOURCE OF SEVERAL REPORTS THAT HAVE BEEN WELL RECEIVED.

5. THERE MAY BE SOMETHING TO WHAT HE IS SAYING - BUT EXACTLY WHAT, AND WHY HE IS TELLING US NEEDS TO BE DETERMINED.

6. REVIEWED FOR RELEASE
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7. C.I.N 1049

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MAR 84

DIRECTOR 876494

B. FILE:
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END OF MESSAGE

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IN 3455006

TOR: 17 MAR 80

SECRET 17 MAR 80 STAFF

CITE

TO: IMMEDIATE DIRECTOR

SUBJECT: INFO ON ALLEGED PLAN TO ASSASSINATE
PRESIDENTIAL CANDIDATE

REF: DIRECTOR 875330

1. FOLLOWING IS INFORMATION OBTAINED FROM [REDACTED] DURING FIRST 17 MARCH MEETING ON ALLEGED IRANIAN PLOT TO ASSASSINATE U.S. PRESIDENTIAL CANDIDATES. (NOTE: HE PAINFULLY AWARE THAT MANY QUESTIONS ON BELOW INFORMATION REMAIN TO BE ANSWERED, [REDACTED] WILL CONCENTRATE ON THESE QUESTIONS DURING PLANNED EVENING AND EARLY MORNING SESSIONS WITH [REDACTED])

2. [REDACTED] SOURCE FOR THIS INFORMATION IS [REDACTED]

[REDACTED] DESCRIBES [REDACTED] AS MEMBER OF ISLAMIC REPUBLICAN PARTY WHO NOW EMPLOYED AS "CLOSEST" AIDE TO [REDACTED]

[REDACTED] IS REPORTED BY [REDACTED] TO BE THE GENERAL COORDINATOR OF THE PLANNED ASSASSINATION OPERATION. (NO TRACES ON [REDACTED] OR [REDACTED])

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IN MAR 80

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IN 3655046

TOR: 17 MAR 84

3. ACCORDING TO [REDACTED] ARRANGEMENTS FOR INFILTRATION OF THE ASSASSINATIONS INTO THE U.S. ARE BEING HANDLED BY [REDACTED]

4. [REDACTED] HAS ANOTHER "SOURCE" WHO HE HAS THUS FAR REFUSED TO IDENTIFY [REDACTED]

(COMMENT: THIS ELEMENT OF STORY BEARS STRIKING RESEMBLANCE TO SOME PREVIOUS REPORTING INVOLVING [REDACTED] YOUNGER BROTHER. BELIEVE IT LIKELY THAT BROTHER IS STILL LURKING IN THE BACKGROUND OF THIS WHOLE EPISODE.)

5. ACCORDING TO INFORMATION PROVIDED BY [REDACTED] INTENDED TARGETS OF ASSASSINATION OPERATIONS ARE BOTH DEMOCRATIC AND REPUBLICAN PRESIDENTIAL CANDIDATES. ASSASSINATION OPS PLANNED TO TAKE PLACE BETWEEN 1 AUGUST 1984 AND 6 NOVEMBER 1984. ASSASSINATION TEAM IS MADE UP OF SUICIDE MEN, WHO ARE COMMITTED TO THIS OPERATION. INTENTION IS NOT ONLY TO KILL CANDIDATES, BUT TO KILL AS MANY SENIOR OFFICIALS AND STAFF (AND GENERAL PUBLIC) AS POSSIBLE. THE ACTUAL OPERATIONS ARE INTENDED TO BE AS "CATASTROPHIC" AS POSSIBLE FOR AMERICA. TIME PERIOD FOR OPERATIONS WAS PICKED SPECIFICALLY BECAUSE CANDIDATES WILL BE MORE PUBLICLY EXPOSED, AND THEORETICALLY LESS WELL PROTECTED, DURING THE ELECTION CAMPAIGN.

6. (COMMENT: PLEASE NOTE PREVIOUSLY REPORTED COMMENT BY [REDACTED] THAT HE WAS UNHAPPY WITH HIS RELATIONSHIPS WITH [REDACTED].)

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RE: FBI, NEW RELEASE
22 March 84
HSC & SSC

C.I.N 1050

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IN 3655046

TOR: 17 MAR 84

BECAUSE NEITHER GOVERNMENT EVER TOOK ACTION
 ON HIS INFORMATION, HIS STATED MOTIVE FOR PROVIDING
 INFORMATION IS TO ASSIST WITH THE DOWNFALL OF THE KHOMEINI
 REGIME. WHILE ABOVE INFORMATION MUST BE, AND IS BEING, TAKEN
 VERY SERIOUSLY, IT SHOULD BE EVALUATED AND ASSESSED IN LIGHT OF
 MOTIVATION.)

7. FILE: DEFER. INDEX: [REDACTED]
 DECL OADR DMV HUM 4-82.

END OF MESSAGE

SECRET

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Date 28 March 84
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IN 3654571

TOR: 17 MAR 84

SECRET 17 MAR 84 STAFF

CITE

TO IMMEDIATE DIRECTOR

SUBJECT: MEETING WITH

REF: BEIRUT KIDNAPPING

REF: DIRECTOR 875330 *

1. MET WITH IDEN B TO REF, WHO TURNED OUT TO BE

ON AFTERNOON OF 12 MARCH TO DEBRIEF HIM ON INFORMATION VOLUNTEERED BY HIM PER REF ON KIDNAPPING OF AMERICAN DIPLOMAT BUCKLEY AND ON PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

DETAILS FOLLOW:

2. STATED THAT THE KIDNAPPING OF BUCKLEY WAS ENGINEERED BY ALIAS (NO TRACES).

AND LEFT FOR TEHRAN LAST NIGHT (16 MAR), AFTER FAILING TO OBTAIN PERMISSION TO MOVE THE CAPTURED BUCKLEY WHERE HE IS BEING HELD, TO TEHRAN. COULD PROVIDE NO DETAILS ON THE CURRENT LOCATION OF BUCKLEY. HAS BEEN IN TOUCH WITH

REQUESTED THAT RETURN TO USE HIS INFLUENCE TO OBTAIN PERMISSION TO MOVE BUCKLEY TO TEHRAN. THE

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SECRET 22 March 84 HSC + SSC

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TOR: 17 MAR 84

IN 3654571

CURRENT PLAN IS FOR [REDACTED] TO RETURN [REDACTED] ON 20 MARCH, AND TO MOVE BUCKLEY TO TEHRAN ON 21 MARCH. BUCKLEY WILL MOST LIKELY BE TRANSPORTED VIA IRAN AIR IN THE CARGO HOLD OF A PASSENGER AIRCRAFT, OR IN AN IRAN AIR CARGO AIRCRAFT. [REDACTED] PROVIDED THE TELEPHONE NUMBER AND THE ROOM NUMBER OF THE HOTEL [REDACTED] WHERE [REDACTED] AND HIS PARTY HAD STAYED.

3. THE SOURCE OF THE ABOVE INFORMATION IS [REDACTED] AN IRANIAN GOVERNMENT OFFICIAL WHO IS ON [REDACTED] AND SECRETLY SUPPORTS THE OVERTHROW OF THE KHOMEINI REGIME.

[REDACTED] HAS TAKEN PART IN DISCUSSIONS WITH [REDACTED] ON THE FATE OF "THE AMERICAN". [REDACTED] STATED THAT THREE DAYS AGO HE PAID [REDACTED] USD20,000 VIA AN ACCOUNT IN [REDACTED] IN THE NAME OF ONE OF [REDACTED] RELATIVES.

4. [REDACTED] PRESENTED ALIAS PASSPORT IDEN-A, ON WHICH HE IS TRAVELING, AND STATED THAT HIS TRUE NAME IS IDEN B. HE CLAIMS THAT HE CHANGES IDENTITIES EVERY THREE MONTHS OR SO FOR SAFETY. HE CLAIMED THAT HE IS INVOLVED IN AN UNNAMED IRANIAN ORGANIZATION WHICH IS FUNDED BY ARMS SALES TO IRAN. [REDACTED] STATED THAT HE IS USING IRAN'S MONEY TO BRING ABOUT ITS DOWNFALL. HE ADVISED THAT THE ORGANIZATION IS NOT AFFILIATED WITH ANY OF THE EXILE GROUPS OR LEADERS BECAUSE THEY ARE TOO COMFORTABLE LIVING IN THE WEST AND ARE NOT SERIOUS ABOUT OUSTING KHOMEINI. [REDACTED] DEALS ONLY WITH IRANIANS IN GOVERNMENTAL POSITIONS IN THE KHOMEINI REGIME WHO ARE ANTI-KHOMEINI. HE CLAIMS TO HAVE PENETRATIONS OF THE MILITARY, THE REVOLUTIONARY GUARD, AND THE INTELLIGENCE ORGANIZATIONS. HE STATED THAT HE CEASED DEALING WITH [REDACTED] IN MARCH 1981 BECAUSE IT WAS APPARENT THAT [REDACTED] WAS NOT GOING TO ACT ON THE INTELLIGENCE HE WAS PROVIDING TO BRING DOWN KHOMEINI AND THAT IT WAS CLEAR THAT A

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PAGE 003

IN 3654571

TOR: 17 MAR 80

DECISIONS THAT REGARD HAD NOT YET BEEN MADE.

THIS IRRITATED
 R45 STATED HE IS NOBODY'S MAN, AND IS VOLUNTEERING THE
 INFORMATION TO [REDACTED] BECAUSE HE SEES THAT NOA OUR "BACK IS
 AGAINST THE WALL" AND THAT PERHAPS NOW SOME ACTION WILL COME
 FROM HIS COOPERATION.

5. REQUEST HEADQUARTERS TRACES ON [REDACTED]

6. SEPARATE CABLE FOLLOWS ON DETAILS OF PLOT TO
 ASSASSINATE PRESIDENTIAL CANDIDATES.

7. FILE: [REDACTED] INDEX: [REDACTED]
 DECL OADR DRV HUM 4-82.

COMMENT: * WOULD APPRECIATE [REDACTED] OFFICER ESTABLISH CONTACT
 WITH SOURCE [REDACTED]

END OF MESSAGE

SECRET

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REVIEW AND RELEASE
 ON 27 March 87
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Chapter 9 IN-1.8
 9-5
 C 1462
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PAGE 001
 TOT: 25 JUL 84 DIRECTOR 023056

SECRET
 STAFF 25 JUL 84 023056
 TO:

4559

SUBJECT: FABRICATOR NOTICE - MANUCHEHR (GORBANIFAR)

subject of bunnies

1. MANUCHEHR ((GORBANIFAR)), AKA QJAFAR SOUZANI, JA'FAR SUZANI, MANOUCHE SOUZANI, MANUEL PEREIRA, MANOCHER KORBANIFAR, NIKOLAOS KRALIS. DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN; CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR IRAQI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U.S. INTELLIGENCE SERVICE.

DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR. ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER. DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE, AFSHARI MOORI CITY. BROTHERS: (1) ALI GORBANIFAR, (2) REZA ((SUZANI)). BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN. AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10486/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 1986 SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN AN IMPORTANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MANY SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO IRANIAN UNDERWORLD CHARACTERS OF VARIOUS ILLEGAL HUES. AS OF LATE 1979 HE WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY BETWEEN EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSINESS. THEN HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECAME IMPLICATED IN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

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OUTGOING MESSAGE OUTGOING MESSAGE OUTGOING MESSAGE

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PAGE 002

TOT: 25 JUL 84

DIRECTOR 023056

MONITOR [REDACTED] AND OTHER EXILE GROUPS.
FOR YOUR INFORMATION ONLY: [REDACTED]

[REDACTED] IN JANUARY 1980 [REDACTED] INTRODUCED
HIM TO [REDACTED] OFFICER. [REDACTED]
[REDACTED] THUS HE BECAME A [REDACTED] SOURCE
ON [REDACTED] MATTERS UNTIL ABOUT
FEBRUARY [REDACTED] PERIOD HE WAS MET BY [REDACTED]
[REDACTED] AND PROVIDED SOME USEFUL INFORMATION ON
[REDACTED] WELL AS PERSONALITIES IN IRAN.

[REDACTED] HE HAD A HISTORY OF PREDICTING EVENTS AFTER
THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL
USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM
CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS
EXCLUSIVE INTEREST IN ACQUIRING MONEY.

[REDACTED] FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT
MET WITH A [REDACTED] OFFICER [REDACTED] AND VOLUNTEERED INFORMATION
ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE
PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH
[REDACTED] IN 1981 BECAUSE [REDACTED] WAS NOT GOING TO ACT ON INTEL HE
WAS GIVING TO BRING DOWN THE KHOMAYNI REGIME.

[REDACTED] ON 18 MARCH 84 HE
WAS [REDACTED] TO DETERMINE VERACITY OF HIS
INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION
AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND
ASSASSINATION PLOT. AT REQUEST OF [REDACTED] HE WAS [REDACTED] ON 12
JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS
PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO
ASSASSINATE PRESIDENTIAL CANDIDATES.

SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR. TV FAXED FOR RELEASE
12 March

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PAGE 003

TOT: 25 JUL 84

DIRECTOR 023056

AND A HUISE [REDACTED] APPROACHES BY SUBJECT OR HIS BROTHER
ALL SHOULD BE REPORTED BY [REDACTED] TAKEN SERIOUSLY

5: [REDACTED] ARE ALSO BEING
NOTIFIED [REDACTED] ABOVE INFORMATION [REDACTED]

ALL SECRET
ORIG: NE

DECL QADR DRV MUR 4-82.

REL: CNE (). CL

END OF MESSAGE

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REVISED FOR RELEASE

Date: 22 March 82

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CIIN 1023

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Chapter 9 9-647 7

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19 June 1984

C 1479

MEMORANDUM

FROM THE

SUBJ

Partially Declassified / Released on 1/25/88
Under provision of E.O. 12958
Ex B. Reger, National Security Council

1. ~~Source~~ Within the past week it has come to our attention through three different channels that an [redacted] is interested in establishing contact with the United States Government. Two of the three sources of information are highly questionable, and the third does not believe he will be able to develop further information in the near future. We believe that the person who wishes contact is [redacted] and that he has now returned to Iran [redacted]

2. EXPOSITION: On 10 June 1984 Manucheur Ghorbanifar [redacted] reestablished contact with [redacted] During a conversation with him 11 June 1984, he claimed to have convinced [redacted]

representative of the United States "Foreign Office." initially described [redacted] and wanting to "make a deal." He later said that the individual who wants to meet with the United States Government is [redacted] who had been with the other three individuals in [redacted] and who, after being assured of his security by [redacted] was willing to talk to USG officials about all he knows of Majles power circles, terrorist intelligence organizations within Iran, Iranian persons, [redacted] and so forth.

was given an examination: decoration was full-
cated on all relevant questions pertaining to [redacted]

WARNING NOTICE
INTELLIGENCE SOURCES
OR METHODS INVOLVED

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CL BY [REDACTED]
DECL OADR HUM 482
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Chapter 9
FIVE
22 November 1986 9-10411

AMERICAN HOSTAGES IN LEBANON

N 7452

BACKGROUND

The former head of Savak's Department VIII, Counterespionage General Manucher Hashemi continues to monitor developments in Iran. His motivation for this effort is a desire to see Iran become a non-communist nation with an orderly and just form of government when Ayatollah Khomeini passes from the scene and his revolution becomes a spent force. In pursuit of this objective, General Hashemi believes he and other exiles, who have no political aspirations, can play a modest role in helping Iran to transition from its current chaos to a democratic society. He sees this happening via the process of exiles providing support, guidance and some coordination for "moderates" in Iran who have the courage, vision and resources required to prevent Iran from being dominated by Moscow.

THE DIALOGUE TO DATE

The ebb and flow of the Iran-Iraq war since September 1980 has been of vital interest to oil companies. The trends of the conflict have, therefore, been monitored by risk analysis firms such as ours in order that our clients could be well informed. In seeking factual data on the struggle, we have harnessed various sources including the maintaining of contact with knowledgeable Iranian exiles. General Hashemi has been one of our emigre conversation partners. In October 1984 our dialogue with him took on a new form and substance in that he offered to put us in touch with a number of interesting Iranians who would be traveling in Europe in November 1984. We accepted the offer on the premise that it would help us to evaluate the quality of General Hashemi's future commentary as well as provide a first-hand assessment of what was likely to happen in the Iran-Iraq war which could impact on a volatile and oversold international oil market.

HAMBURG MEETINGS

In the period 19 - 21 November 1984, a number of meetings were held in Hamburg, Germany with General Hashemi and Iranians that he introduced to us. This revealed that Manuchehr Ghorbanifar, President of Bytex Trading Company, 36 Avenue Maroeau, 75008 Paris, telephone 7203041, telex 620927, was a major

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Partially Declassified/Released on 20 July 1987

under provisions of E.O. 12356

by B. Reger, National Security Council

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cut-out between one group of contacts in Iran and the General. In fact, Ghorbanifar brokered one meeting for us and General Hashemi in Hamburg on November with a most interesting traveler from Iran.

GHORBANIFAR

After the meeting of 20 November with the man from Iran, Ghorbanifar was asked how we might authenticate the visitor's ability to help us in solving some oil contract disputes with Iran. The response was simple — put the man to the test of performance. In short, give him a simple task to do and if he solved that one, move on to the next one. Ghorbanifar said this technique had worked for him. He then went on to say his own business kept him in close contact with the Iranian market where he played a role by brokering deals between Iranian buyers and European suppliers.

Ghorbanifar said his business was successful but he was also an Iranian nationalist. Due to the latter factor, he was vitally concerned with developments in Iran. He feared that Iran would become a Soviet satellite within the near term — three to five years — if he and people like General Hashemi did not do something to stem the tide. He rhetorically asked what can we do, for despite our ability to work with the "moderates" in Iran, we can't get a meaningful dialogue with Washington. According to Ghorbanifar, it is President Reagan who has the destiny of the Iranian people in his hand. When at this juncture Ghorbanifar was asked if he had tried to open a dialogue with the Americans, he said, "We know the CIA in Frankfurt. They want to treat us like kleenex — use us for their purpose and then throw us out the window. We can't work with them as they are unreasonable and unprofessional. In fact, if you check on me with them, they will tell you I am unreasonable and undisciplined."

COMMENT: General Hashemi has privately verified that Ghorbanifar has several real estate holdings in Hamburg and Paris. The General said that from what he can see, Ghorbanifar is successful in business. In terms of contacts in Iran, Hashemi said he could only describe Ghorbanifar with the adjective "fantastic." At the same time, Hashemi said Ghorbanifar, while intelligent and a producer of results, had always been hard to control.

[redacted] has told us independently that Ghorbanifar had been an effective agent for SAVAK [redacted] but was known as a wheeler-dealer. He made the point that Ghorbanifar was not a trained intelligence officer but had been an access agent in various cases and had done commercial jobs for SAVAK as a cut-out.

Commercial traces on the Bytex Trading Company and its owner are pending.

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HOSTAGES IN LEBANON

The conversation about the Iran-Iraq war throughout 20 November focused on three issues. They were the land war and the prospects for a Basra sector general offensive, the Gulf maritime war and Kharg Island as its centerpiece and Tehran's export of the revolution with emphasis on what threat the latter was to oil facilities in Iraq, Kuwait, the United Arab Emirates and Saudi Arabia. During the early portions of this conversation, Ghorbanifar said Tehran [REDACTED]

Perhaps this could be delivered to the Americans to prove that Hashemi and Ghorbanifar had influential contacts in Iran. In response, it was pointed out that transactions of this type might not be simple, particularly as no one knew what Iran would want in exchange. Ghorbanifar said he would guess Tehran would want TOW missiles. He was urged, therefore, to find a simpler way to prove his bona fides if he in fact wanted to deal with the Americans. Nothing emerged at that juncture in response to that comment. As the day wore on, however, and Lebanon entered into the scope of the conversation, Mr. Ghorbanifar was asked what he knew about Iranian intentions in Lebanon, what role Tehran had played in bombing the American Embassy or kidnapping Americans. The response was he had little hard facts beyond having heard the captured Americans were alive. Ghorbanifar was told that all citizens who had compassion for their countrymen were interested in the fate of Americans who had been captured by terrorists, guerrillas or other unstable elements. If Ghorbanifar could shed light on the status of Americans in Lebanon it would be a humanitarian gesture which would be duly noted by those who count. Ghorbanifar said he assumed we were talking about a tractors for prisoner exchange. The answer was we had nothing specific in mind. On the other hand, we knew oil companies could be generous and if there was a humanitarian deal to be made in simple terms with adequate safeguards for life and funds, we would be willing to take soundings with our oil company clients and contacts to see if a deal could be structured.

There was about a three hour break between the end of the afternoon session on 20 November and a regrouping for after-dinner drinks. In this period, each member of the afternoon session went on his own to different dinner sessions. When the group reconvened, Ghorbanifar said he had thought about the afternoon session, had made some telephone calls, had talked to a friend and could now say the following:

- a. Americans captured in Beirut were alive.
- b. A deal could be made for their release using Iranian channels.
- c. The transaction would be simple -- money for people.
- d. The cover for the transaction would be Ghorbanifar had bought them out and resold them to a private group that raised the funds.

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- e. The transaction had to be kept secret. This meant that whatever final explanation was worked out to advise the media of how the release had been effected, it could not identify Ghorbanifar, Iranians or anything but a private ransom deal.
- f. If this deal interested us, we were to do the following:

- (1) provide the full names of the captured Americans;
- (2) indicate the date of their capture;
- (3) provide the given name of each captive's father.

Ghorbanifar was told we had noted his points and would take appropriate soundings. When we indicated surprise at the speed of his decision-making process, he laughed and said he was an operator and now the ball was in our court. He wondered aloud if we could react as quickly as he had. We said we doubted that we could, for we were both cautious and deliberate.

COMMENT

In subsequent private discussions late on 20 November, General Hashemi told us he did not know who Ghorbanifar had contacted on this matter or how. He said he would attempt to find out and might have an answer in ten days time. This delay was due to the fact that Ghorbanifar and Hashemi would both be traveling as of 21 November and could not talk securely for a number of days. We know Hashemi flew from Hamburg to London on 21 November 1984.

No names of the Americans captured in Lebanon were discussed at any time by either party. In terms of numbers, we said we thought four Americans were unaccounted for in Lebanon. We had in mind the following:

- a. Jeremy Levin of Cable News Network who was kidnapped on 7 March 1984;
- b. William F. Buckley, an American Embassy officer, who was kidnapped on 16 March 1984;
- c. Benjamin M. Weir, a Presbyterian Minister kidnapped on 8 May 1984.

It must be stressed, however, that we never surfaced their names, organization or date of capture.

SECURITY EVALUATION

General Hashemi is independently wealthy. He travels on the basis of his own funds plus discounted airline tickets that he receives from a son-in-law who

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has a travel agency. Our relationship with him has been based on a mutuality of interest in Iranian affairs. We reciprocally host luncheons or dinners.

Ghorbanifar has no known intelligence connections with any Western intelligence service. He is a "wheeler dealer" and could play both ends against the middle for a profit in a business deal. On a political matter concerning Iran, it would appear, however, that he could be kept on track if he were tasked via Hashemi.

PROPRIETARY INTEREST

It is our intent to continue our dialogue with General Hashemi, for he has been helpful in the past in assisting us to understand events in Iran. Mr. Ghorbanifar is a new entity on our commercial horizon and we are evaluating his potential to contribute to our ventures. In sum, while we have spelled out with frankness how this situation unfolded, we have done so out of concern for a friend and other fellow Americans. (COMMENT: Mr. Buckley was known to us from his service in Vietnam.) With equal candor, we must state that while we expect the data we have furnished to be checked, if it interests anyone in government, we must insist the verification effort be carried out in a manner that will not prejudice our relationship with General Hashemi and Mr. Ghorbanifar. Put another way, we have invested time and money into developing and maintaining relationships that by our criteria are useful. As a result, we want to preserve them and request this sensitivity factor on our part be both noted and honored as this situation is evaluated. In this context, please note the attached article on risk assessment which outlines some of our commercial concepts.

ACTION REQUESTED

We must, in the course of the next two weeks, give Mr. Ghorbanifar some response to his feeler on a ransom deal. It is requested, therefore, that we be advised by no later than 7 December 1984 how we are to respond. It is, of course, understood that any reply has to take into account current policies on the topic of ransom. If it would be of assistance to those considering the nature of the reply, we would be available for a discussion of the data outlined in the preceding paragraphs.

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CLASSIFIED AT TIME OF PUBLICATION.

Chapter 9 FN 134,48
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9-13

1. SUMMARY: On 22 April 1986, the United States Customs Service and the United States Attorney's Office for the Southern District of New York announced the indictment of seventeen individuals on charges that they were participants in an illegal scheme to smuggle \$2.5 billion in American-made warplanes, missiles and other weapons to Iran. This case has received prominent play in the foreign and domestic press (see attachment) and has been of interest to the Israeli government due to the involvement of a retired Israeli general. The bait in Customs sting operation was Cyrus Hashemi, a former Agency and State Department contact. Hashemi's previous relationship with United States government agencies could be an issue at trial. The case is tentatively set to go to trial in November 1986.

2. Cyrus Hashemi is well and unfavorably known to the Directorate of Operations and the Department of State. The following is a summary of our involvement with Mr. Hashemi.

A. In early 1980, during the Iranian hostage crisis, Hashemi made representations to State that he could serve as a channel for negotiations concerning the hostages.

It developed that Hashemi did not have the ability to perform as projected and it was suspected that his offers were part of a scam.

B. During 1983 and early 1984, Hashemi was under investigation for arms export control violations. In separate meetings with the Agency and the Department of State, Hashemi's attorneys threatened to tell all if their client was brought to trial. It was the DDCI's decision that the Agency would have no objection to prosecution even in light of Hashemi's attempts at graymail. State was more reluctant because of the damage revelations would have on foreign relations. A federal arrest warrant was issued in May 1984 on Hashemi. His flight from prosecution to Europe effectively put the prosecution on the shelf.

C. In June 1984, the DCI learned from John Shaheen, a personal acquaintance of the DCI, that Hashemi had information he wished to pass to the Agency. Because Hashemi was a fugitive from justice, Shaheen was informed by the DCI that the Agency had no interest in pursuing Hashemi's offer.

D. During June - August 1985 Shaheen and one of Hashemi's attorneys were in contact with the Agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Hashemi sought to arrange for charges against him to be dropped in return for his cooperation. Both the Agency and State investigated Hashemi's claims, with no positive results.

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3. Until his death of natural causes in July of 1986, Hashemi was to be one of the primary witnesses at trial. Even though we had no part in the Customs sting operation, the Agency may be brought into the case because the defense may make an issue of Hashemi's attempts to contact the Agency to secure favorable treatment on his 1984 indictment.

4. Representatives from the Directorate of Operations and the Office of General Counsel have met with the Department of Justice attorney and the local prosecutor to brief them concerning our equities in this case and to allow them to review redacted versions of Agency documents. They have been made aware that our primary concerns are to protect from disclosure

the details of our involvement with the attempt to arrange the hostage release in 1985, the identities of covert sources, and the identities of covert CIA officers. As it now stands, we are anticipating that we will be compelled to acknowledge our relationship with Hashemi with a summary description of his post indictment activities that are relevant to an entrapment defense.

5. On 5 September 1986, we were informed that one of the defense attorneys had indicated to Mr. Hashemi's attorney, William B. Wachtel, interest in reviewing his file on Hashemi and discussing with him his knowledge of Hashemi's activities. Mr. Wachtel is inclined to assert attorney client privilege. Based on information in our files, it is obvious that Mr. Wachtel is fully informed on Hashemi's dealings with various government agencies. OGC is currently discussing with Justice and State attorneys means to prevent the release of classified information by Mr. Wachtel.

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CIIN 3792

CLASSIFIED BY
DATE 20 May 87
ASCT/SSC

Chapter 9 FN #1334
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MEMORANDUM FOR:

Chief, [REDACTED]

ATTENTION:

FROM:

Chief, [REDACTED]

SUBJECT:

OGC Name Trace Request

REFERENCE:

A. [REDACTED] Two-Way Memo dated 13 May 1986
 B. OGC-86-51313 dated 9 May 1986

1. The following is in reference to your request dated 13 May 1986 for information concerning referenced subjects. (U)

2. [REDACTED] surfaced on Cyrus Hashemi-Naini, DPOB: 26 December 1939, Iran. The following updates previous information provided to the Office of General Counsel on Hashemi and OGC-84-1472 of 7 February 1984 which details OGC's meeting with Hashemi's attorney.

A. On 17 May 1984, A federal arrest warrant was issued on Hashemi for arms export control violations. As of 25 May 1984, Hashemi was reported to be in London.

B. [REDACTED]

C. During June - August 1985, a Hashemi intermediary and one of his attorneys was in contact with the agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Much time and effort was spent in this endeavor which was fruitless. Hashemi sought to arrange a nolle prosequi in return for his cooperation. ~~LOT~~

D. In December 1985, representatives of the Directorate of Operations and OGC met with U. S. Customs officials to discuss their proposal to use Hashemi. They were told in general terms of his background. They were also informed that he was described in our files as a sleazy and slippery character who had previously been involved in nefarious activities. The Customs officials indicated that they would be in further contact with more specific requirements. The DDO was unaware of Customs' ongoing activities with Hashemi until charges were brought on 22 April 1986. ~~LOT~~

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Chapter 9 PN# 23134

Under review 5 May 1985
 Page 11 of 11

N 16390

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MSG FROM: NSDRF --CPUA
 To: NSRCH --CPUA

TO: NSRCH --CPUA

04/09/85 10:22:16

-- SECRET --

NOTE FROM: DONALD R. FORTIER
 SUBJECT: Ledeen and Iran

Mike Ledeen came to see me yesterday. He had met earlier with Jock and Howard. Mike said he had talked to Wilma about re-initiating his trip to Israel. He got the impression that you were prepared to give the green light subject to a positive recommendation from Fortier/Covey/Teicher.

I don't know if this is really your view. We have all discussed this matter. None of us feel Mike should be our primary channel for working the Iran issue with foreign governments, and we think you should probably should not provide a formal letter. At the same time, we think it would be useful to have Mike carry two messages to Peres: 1) the White House feels it is essential to begin to develop a more serious and coordinated strategy for dealing with the Iranian succession crisis - a crisis that is almost certain to turn on outside involvement of one kind or another; and 2) we would like his ideas on how we could cooperate more effectively. The last point is a hard one for us to ask our intelligence community to communicate, since we suspect they may be part of the problem. We don't think Mike should be the one to ask Peres for detailed operational information; he probably doesn't know, and even if he did, this should be reserved for official channels once we have arrived at ideas for restoring better cooperation.

I met yesterday with interested people here to begin to put together an action plan for Iran similar to what we did on We reviewed the Israeli requirement in the context of this discussion and believe it is congruent. We need a dialogue on this subject, but were not far enough long to ask for anything too much more specific; moreover we

(185)

peace process, etc

Chapter 9 23 & 24

cc: NSJMP --CPUA

N 16391

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA

04/09/85 11:41:22

-- SECRET --

NOTE FROM: DONALD R. FORTIER

Subject: Reply to Note 04/09/85 11:22 Ladeen and Iran
 Thanks for the feedback Bud. Howard and I had talked - subject to your general ok - about his calling Nimrod Novak, both as a final sensitivity check and as a way of flagging our interest without your having to write a note on Mike's behalf. The problem, and I'm a little annoyed by this, is that Mike, on the strength apparently of his talk with Wilma, has gone ahead and rescheduled his lunch with Peres for next Thursday. Should we simply try to run the check and discuss with Shultz in the next day so that we can be done with this problem, or should I tell Mike to formally cancel again? The only other comment I would add is that Mike seems to be able to get on Peres calendar (unless he is misleading us) rather easily, something that would seem to be more difficult if he were out of favor. Thanks again for your advice.

cc: NSJMP --CPUA

MSG FROM: NSDRF --CPUA TO: NSJMP --CPUA

04/09/85 12:28:10

-- SECRET --

NOTE FROM: DONALD R. FORTIER

SUBJECT: Rosen

I have to confess to you that the more I thought about Vince's allegations against Steve, the madder I became. I don't intend to let this surface, and will - as your dutiful servant - try to move forward the substance with a minimum of personal friction. Still, his remarks come close to being personal slander of the worst sort. It seems that the only shred of evidence on the Israeli connection is that Steve told Vince he planned (but hasn't) to talk to a guy at the Embassy that several others had recommended to us as very knowledgeable about Iran. We also checked back through our files and memcons and could find no single instance where we asked the kind of question Vince professes to be so concerned about, i.e. exposing agents, actual plans etc. Our emphasis throughout the exercise was: what are your criteria for success, are you emphasizing the right kinds of munitions, would more help, are our collection priorities correct etc. In short, we asked the kind of questions someone should have asked a long time ago. And that, I suspect, is the root of the problem. All of us here gave Vince the benefit of the doubt when he came on board. He should do the same.

186

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 under provisions of E.O. 12356
 by Regier, Internal Sec. Control

9-24

 MSG FROM: NSRCM --CPUA
 To: NSDRF --CPUA

TO: NSDRF --CPUA

04/09/85 11:22:47

N 15306

-- ~~SECRET~~ --

NOTE FROM: ROBERT MCFARLANE

Subject: Reply to Note 04/09/85 10:22 Ledeen and Iran
 Yes I think it is entirely worthwhile to cooperate closely with Iran in our planning for Iranian succession. My only concern with regard to Mike is a hint I got the last time he was in that he personally was out of favor with Peres but I stress that I have absolutely no hard basis for such a conclusion. It might be useful however, for Howard to make a discreet sensitivity check with one of his friends in the PM's office. As a separate matter I want to talk to Shultz so that he is not blindsided when Sam Lewis reports--as he will surely find out-- about Mike's wanderings. So for the moment let's hold on the Ledeen aspect. I will get back to you. I do consider planning for the succession to be one of our greatest failures and vulnerabilities so I am very glad you are turning to it.

cc: NSJMP --CPUA

 MSG FROM: NSRCM --CPUA
 To: NSDRF --CPUA

TO: NSDRF --CPUA

04/09/85 12:45:22

-- ~~SECRET~~ --

NOTE FROM: ROBERT MCFARLANE

Subject: Reply to Note 04/09/85 11:41 Ledeen and Iran
 Does Mike imagine that he can hold his meeting without Sam Lewis knowing about it? I really doubt that. Please do try to run the Novick check. If it turns up negative, simply tell Mike that the meeting is not sponsored by us and he should not so represent.

 MSG FROM: NSJMP --CPUA
 To: NSRMC --CPUA

TO: NSDRF --CPUA
 BOB KIMMITT

04/09/85 17:01:43

-- ~~SECRET~~ --

NOTE FROM: JOHN POINDEXTER

SUBJECT: Master List of Activities on Contra Peace Issue
 I have asked Don to pull together through his task force a master list (less President) of events for the administration between now and 30 April. It is

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(187)

Chapter 9 FNⁿ 30
N 16394 #32

-- SECRET --

NOTE FROM: DONALD R. FORTIER
- SUBJECT: Iran

9-30

We spent the better part of the day working on the Iran NSSD. I have Dennis here looking at the recent spate of Soviet activity and the levers we may have arising out of the war and other circumstances. I think we need about one more full day before we send up a draft for you and John to review. We also just got a bootleg copy of the draft SNIE. We worked closely with Graham Fuller on the approach, and I think it really is one of the best yet. Iran may come up in the breakfast tomorrow. If pressed for action you can credibly promise paper within the next few days. I also think the Israeli option is one we have to pursue, even though we may have to pay a certain price for the help. I'm not sure though that we have the right interlocutor. Mike has a call into me now. His message is that he needs to see me urgently to follow up on his weekend conversation and to get a new plane ticket. Would appreciate guidance and substantive feedback. Thanks.

cc: NSJMP --CPUA

MSG FROM: NSDRF --CPUA TO: NSRCM --CPUA
TO: NSRCM --CPUA

05/29/85 10:35:11

*** Reply to note of 03/28/85 14:17

~~SECRET~~

NOTE FROM: DONALD R. FORTIER

NOTE FROM: DONALD R. FORTIER
Subject: Presidential Message to Freedom Fighters
The safest thing, under the circumstances, might be to do nothing. At the same time, it is a rather extraordinary convocation. Steve and I will give you a draft of the themes we believe one could prudently use in the event it is decided to go ahead. I asked Steve to check with Walt, however, to see what more we know about the event: are other messages anticipated (in which case, our silence would be more conspicuous); will the participants issue any declaration of their own (and is it something we would want to be fully associated with) etc. We will get something to you later today.

cc: NSJMP --CPUA

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Under provision(s) of E.O. 12958
by _____, _____

SECRET/NOFORN
The Director of Central Intelligence
Washington, D.C. 20505

(K) D 570 (NBA)
Chapter 9 EN 3-1
rec'd NSA Am 57

Place for JM + its
Its new in the world
hold on to this, and war
National Intelligence Council

9-31

NIC 02545-85
17 May 1985

convert to west / coming clearly
play up for arms → drug (?)

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Graham E. Fuller
National Intelligence Officer for NESA

SUBJECT: Toward a Policy on Iran

1. Policy was too
euphemistic for
war. it / will be
disaster
2. Iranian opposition
war policy / host

1. The US faces a grim situation in developing a new policy toward Iran. Events are moving largely against our interests and we have few palatable alternatives. In bluntest form, the Khomeini regime is faltering and may be moving toward a moment of truth; we will soon see a struggle for succession. The US has almost no cards to play; the USSR has many. Iran has obviously concluded that whether they like Russia and Communism or not, the USSR is the country to come to terms with: the USSR can both hurt and help Iran more than the US can. Our urgent need is to develop a broad spectrum of policy moves designed to give us some leverage in the race for influence in Tehran.

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mode
3. US. 1
Visit →

The specter of the US and the USSR standing on the same side of a major international strategic conflict, like the Gulf war, is extraordinary. It is also an unstable situation and cannot persist for long. We are both on Iraq's side because we lack our preferred access to Iran. Whoever gets there first is in a strong position to work towards the exclusion of the other.

- 8 Jan
24 Jan
28 Jan
4. 80/85
5. Work
for's
End
we

-- [redacted] continues to monitor Soviet progress toward developing significant leverage in Tehran. We must monitor that progress--but we also already know where Moscow wants to go and that it will devote major resources to claiming this important prize. Even if Moscow's progress is uneven, we need to develop a strategy in response.

2. The Twin Pillars of US Policy. US policy at present comes down to two major pillars.

-- We will respond with force directly if Iran should undertake another terrorist outrage against the US.

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This Memo is Classified
SECRET/NOFORN in its entirety.

SECRET

CL BY 135401
DECL OADR

Partially Reclassified / Released on 12/21/2001
under provisions of E.O. 12356
by B. Rege, National Security Council

1987

SECRET/NOFORN

D 571

UNCLASSIFIED

- We seek to choke off all arms supplies to Tehran wherever possible.

3. Terrorist Attack: We can and must have some policy against terrorism. We must also recognize that this cannot represent the bulk of our policy toward Iran. Furthermore, radical forces in Tehran may welcome a direct confrontation with the US--including US military retaliation--in the hopes of replaying its extraordinarily successful gambit against the US in the 1979 hostage crisis.

ABSOLU

- During that crisis the radicals galvanized the Iranian atmosphere, polarized all views, rendered the moderates irrelevant, and proceeded to eliminate them in the supercharged atmosphere of confrontation.

These radicals may seek to do so again in the expectation of doing away with any opportunity the conservatives may have to reach accommodation with the US.

questioned
bearing

allow terrorism to go unchecked, we must balance the terrorist policy against the potential stake in Iran.

4. Choking off Arms Supplies. There are good reasons to seek to choke off ~~Soviet~~ arms supplies to Iran. It may be one way of bringing an end to the war which only Iran seeks to perpetuate. If the embargo is successful, however, it could also have the effect of driving Iran into a corner where the Soviets will be the only option left.

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- We first raised (about 18 months ago,) this theoretical possibility of Soviet opportunity stemming from the US arms embargo. The possibility is no longer theoretical. Iran has, in fact, now begun moving toward some accommodation with the USSR. Meanwhile, the USSR can afford to play it cool and set its own terms, relatively confident that the US cannot steal a march on it.

historically
don't have this↑
theoretical
and primary
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in policyslow down
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- on
board

5. These two pillars of US policy--both sensible while Iran was in a vacuum and Khomeini was strong--can no longer serve as the primary vehicle for US policy toward Iran. Both are entirely negative in nature and may now serve to facilitate Soviet interests more than our own. We must develop a more positive set of plans involving a much broader spectrum of considerations and actions.

- It is easy to criticize our present position, and I do not mean to suggest that any easy answers exist. It is imperative, however, that we perhaps think in terms of a bolder--and perhaps

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-SECRET/NOFORM

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a slightly riskier policy which will at least ensure greater US voice in the unfolding situation. Right now--unless we are very lucky indeed--we stand to gain nothing, and lose more, in the outcome of developments in Iran, which are all outside our control.

6. Some Broader Policy Considerations. Nobody has any brilliant ideas about how to get us back into Tehran. Nearly all tentative proposals require uncomfortable choices and clear-cut down sides. Nonetheless we need to review a broad spectrum of ideas. I submit below a range of thoughts, carrots and sticks,--all of which are flawed--but which might assist in sparking better and more refined positions to meet our needs.

- a. Work with Iraq to bring Tehran to its knees. We could consider moving much closer to Iraq to bring the war to a quicker end--particularly by way of encouraging crippling attacks on Kharg Island and key Iranian economic facilities. This would serve to put intolerable pressure upon the regime, perhaps damaging the hardliners, maybe even leading toward the collapse of the clerics. It would probably bring the war to a de facto conclusion. Disadvantage: We have no knowledge about who would emerge victorious from such shambles; it could well be radical elements filled with hatred of the US. The radicals have most of the guns. It might ensure Tehran's rapid accommodation with Moscow.

and Iraq
could
create
pressure
on regime
in Gulf

- b. Open up Iran to friendly state influence. We could tell all our European allies, as well as Israel, Turkey, Pakistan, China, Japan, Brazil and Argentina that Western influence must develop a paramount position during this critical period in Iran. We would remove all restrictions in sales--including military--to Iran. Our only proviso would be the request that truly strategic items which could immediately affect the conduct of the war be avoided. (In fact, in the short term, few items would really reverse the course of the war.) Such a step would effectively preclude Iran turning to or needing the USSR. Iran's diminished isolation might encourage the emergence of Iran's moderates into a greater policy role. Disadvantage: (n) Certain possible encouragement for Iranian perpetuation of the war.

and Europeans
would definitely
criticize our
unilateralism

(7) Substantive - US, Canada, in 1979-80 not needed.

- c. Go after Iran's radical allies. While direct US assault against Iran could bring about the very thing we wish to avoid, i.e. Soviet domination of Iran, direct attack on Iran's radical allies, Syria and Libya, would probably sober Iran and weaken its support from those quarters. It would be a clear blow to the "radical entente." Qadhafi in particular is a key figure.

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We have every reason in the world to want to see Qadhafi collapse. Bold US policies leading to his downfall would have chilling effect on Iran and shake its confidence that the correlation of radical forces was with them. (Pressure on Syria would have less effect and could ideally only come from Israel--which is hardly interested in a confrontation with Syria at this point.) This "indirect strategy" would demonstrate US resolve against radicalism without directly pushing Iran in the wrong direction. Unlike Iran, we have nothing to lose in Libya and everything to gain. — *Disagree. We risk strengthening Qadhafi, as we have in the past by imp...*

- d. Battening down the hatches in Turkey and Pakistan. Assuming that we may be heading for a major Soviet gain in Iran, we may need to greatly step up our ties with Turkey and Pakistan. Turkey is at the heart of US ability to respond to any future Soviet military action against Iran. Both countries would be profoundly affected by an Iranian lurch in the Soviet direction.

Turkey is even more important than Pakistan because of its NATO ties, control of the Bosphorus and contiguous border with the Soviet Union. These states must be reassured that we are deeply committed to their support even if we cannot control a negative course of events in Iran.

Frankly, difficult to achieve.

Getting the Message Through to Tehran. Most analysts believe that nearly all elements in Iran are convinced that the US is implacably hostile to the Iranian regime. In the ugly atmosphere generated by Iranian terrorism and the war, the US has felt it inappropriate to address words of reconciliation to Iran in general. There is room for such broad, public statement on a regular basis to ensure Iranian moderates—and opportunists—that we are not dedicated to the overthrow of the Islamic Republic or the collapse of Iran. This in itself helps play against the barrage of propaganda from the top Iranian leadership which wishes to portray the US as the implacable enemy. The hostage crisis is far past and anti-American mob scenes are less exhilarating for the Iranian public than they were in the heady days of the new Republic.

- f. Massive reassurance to Iran of US intentions. Mere words may not be enough to change the tide of moderate opinion and belief in Iran about the US. We could reemphasize this issue strongly if coupled with demonstrations of goodwill through withdrawal of the Sixth Fleet from the vicinity of the Persian Gulf and placing the US military presence in the Gulf on very low

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~~SECRET/NOFORN~~

D 574

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profile. Disadvantage: We might persuade Iranian radicals that we had given up, or were paper tigers, or both. Our Arab allies might lose confidence. On the other hand, such gestures could be quickly revoked if Iran itself were not forthcoming or if the danger level rose. In any case, there are major benefits in making a series of positive gestures toward Iran indicating basic goodwill--even if not immediately reciprocated by Iran. The non-radicals will get the message.

*discouraging message
to non-radicals*

9. Bargaining with the USSR. We have little leverage here. However, the USSR in its public statements constantly stresses that the US is bent on placing Pershing missiles in Israel, Pakistan and Turkey. In theory these are bargaining chips which could be "given away" at no cost in exchange for some "understanding" over Iran. The main problem is that we can hardly warn the Soviets against establishing better ties with Tehran, or even supplying arms to Tehran. These are not belligerent acts in and of themselves and our major problem in Iran is not Soviet invasion but rather support to radical forces who might move the country closer to Moscow.

7. On reflection I believe that the option most constructively oriented is that of inserting Western allies and friends into Tehran quickly through the ~~arms~~ door. It would meet with broad support by all of them and is a "positive" policy. The Arabs will be less happy--especially Iraq. But most Gulf Arabs want a de-fanged Iran and would not object to better Western ties in Tehran if it leads to moderation.

- The risk of perpetuating the war is there. But the Western card is easily undertaken and can be coupled with other US positive gestures discussed above. We need not rule out sticks--especially those against Iranian allies like Qadhafi. Diminished political, economic, and military isolation could have much positive effect on a shaky Tehran regime--especially if some quid pro quo was sought from Iran by our allies in moving into Iran in a big way.

8. Our tilt to Iraq was timely when Iraq was against the ropes and the Islamic revolution was on a roll. The time may now have come to tilt back--at least via our allies--to ensure the Soviets lose both attraction and potential access to the clergy.

Graham E. Fuller

Graham E. Fuller

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~~SECRET~~

SECRET/NOFORM

D 575

UNCLASSIFIEDNIC 02545-85
17 May 1985MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

SUBJECT: Toward a Policy on Iran

NIC/NIO/NESA:GEFuller:jcn 17 May 85 X6152

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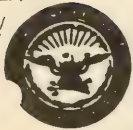
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WOS
to
G. Smutz

Declassified/Released on 12 May 1987
under provisions of E.O. 12065
by P. Roger, National Security Council

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INTERNATIONAL
SECURITY AFFAIRS~~TOP SECRET~~

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-2400

Ikk forwarded
version at TAB D
which was signed
by Sec Def

13 JUL 1985

D 576

Excluded from automatic
downgrading and
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by P. Regor, National Security Council

~~TOP SECRET~~

MEMORANDUM TO THE UNDER SECRETARY OF DEFENSE FOR POLICY

SUBJECT: US Policy Toward Iran (S)

(TS) I agree with nearly all your changes and have revised the memorandum from Secretary Weinberger to Bud McFarlane accordingly. However, I recommend against several of your changes and would like you to consider the following:

-- First, I agree with you that what we're really looking at is a "post-Khomeini" Iran and there is very little chance we can establish good relations with Iran as long as Khomeini is in control. At the same time, I don't think we want to give the impression in this paper that we should wait until Khomeini passes from the scene before doing anything. It's possible that Khomeini may live for several more years but be in such a senile state that he is no longer in control (similar to the latter years of Mao Zedong). Under such circumstances, we may be able to influence moderate elements of the regime and begin to achieve some of our long-range objectives before Khomeini dies. ||| +

-- Second, I left in the recommendation to keep pressure on our allies to cease transferring military equipment to Iran. Although we have had some successes to date, maintaining (if not strengthening) our initiative is one of the few actions we can take to try to bring an end to the Iran-Iraq war. And if the war were to end, many of the pressures causing Iran to seek Soviet assistance would cease. Therefore, I believe we should not omit this initiative.

(TS) Attached are two versions of the memorandum. At Tab A, the memorandum does not specify "post-Khomeini" when it refers to recommended actions and it contains the recommendation to lean on our allies to stop selling arms to Iran. The memorandum at Tab B is exactly the way you marked up the draft. Recommend you forward Tab A.

R-1

& This is, of course, something
you want to consider with
careful handling of any

new concern -
his "post K." we may
not be successful
with this one

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~~TOP SECRET~~

9-33

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ROUTING

()	Name and Address	Date	Initials
1	R. C. McFarlane		
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5			
6			

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COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
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REMARKS:

9-39

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N 10301

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Declassified/Released on 7 May 1987
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by P. Roger, National Security Council

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533

JL
10-1

SYSTEM IV
NSC/ICS 402010

NATIONAL SECURITY COUNCIL

N 10302

ACTION

FROM: DON FORTIER
HOWARD R. TEICHER HRT

Attached at Tab A for your review is an NSC drafted NSDD on U.S. Policy Toward Iran. The NSDD is provocative. It basically calls for a vituperous policy designed to block Soviet advances in the short-term while building our leverage in Iran and trying to restore the U.S. position which existed under the Shah over the longer-term. This would require a sharp departure from ongoing overt and covert measures, most notably the supply of Western military hardware, U.S. initiative to dialogue with Iranian leaders, and activist covert actions.

RECOMMENDATION

Approve 11 Disapprove

Tab I Memo to Shultz and Weinberger
Tab A Draft NSDD

~~TOP SECRET~~

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N 10303

Declassified on 7 May 1987
under provisions of E.O. 12958
By P. Rogers, National Security Council

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TAB I

~~UNCLASSIFIED~~SYSTEM IV
NSC/ICS 402010THE WHITE HOUSE
WASHINGTON

N 10304


June 17, 1985

~~SECRET/WITH~~
~~TOP SECRET ATTACHMENT~~MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTS
The Secretary of StateTHE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

SUBJECT: U.S. Policy Toward Iran (TS)

The Director of Central Intelligence has just distributed an SNIE on "Iran: Prospects for Near-Term Instability", which I hope you have received. This SNIE makes clear that instability in Iran is accelerating, with potentially momentous consequences for U.S. strategic interests. It seems sensible to ask whether our current policy toward Iran is adequate to achieve our interests. My staff has prepared a draft NSDD (Tab A) which can serve to stimulate our thinking on U.S. policy toward Iran. I would appreciate your reviewing the draft on an eyes only basis and providing me with your comments and suggestions. I am concerned about the possibility of leakage should we decide not to pursue this change in policy with the President. If you feel that we should consider this change, then I would refer the paper to the SIG(FP) in preparation for an NSPG meeting with the President.

(S)



Robert C. McFarlane

Declassified/Released on 7 May 1987
under provisions of E.O. 12356
by B. Roger, National Security Council

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~~TOP SECRET ATTACHMENT~~
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~~UNCLASSIFIED~~
~~TOP SECRET~~THE WHITE HOUSE
WASHINGTONSYSTEM II
90656

June 17, 1985

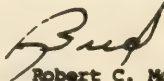
N 10305

~~SECRET/WITH~~
~~TOP SECRET ATTACHMENT~~MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTS
The Secretary of StateTHE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

SUBJECT: U.S. Policy Toward Iran (S)

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(S)



Robert C. McFarlane

Declassified/Released on 7 May 1987

Under provisions of E.O. 12356

By B. Rager, National Security Council

~~SECRET/WITH~~
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by E. Rager, National Security Council

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TAB A

~~TOP SECRET~~
UNCLASSIFIED

NSC/ICS 402010

THE WHITE HOUSE
WASHINGTON**DRAFT**~~TOP SECRET~~NATIONAL SECURITY DECISION
DIRECTIVE

N 10307

U.S. Policy Toward Iran

Dynamic political evolution is taking place inside Iran. Instability caused by the pressures of the Iraq-Iran war, economic deterioration and regime infighting create the potential for major changes in Iran. The Soviet Union is better positioned than the U.S. to exploit and benefit from any power struggle that results in changes in the Iranian regime, as well as increasing socio-political pressures. In this environment, the emergence of a regime more compatible with American and Western interests is unlikely. Soviet success in taking advantage of the emerging power struggle to insinuate itself in Iran would change the strategic balance in the area.

While we pursue a number of broad, long-term goals, our primary short-term challenge must be to block Moscow's efforts to increase Soviet influence (now and after the death of Khomeini). This will require an active and sustained program to build both our leverage and our understanding of the internal situation so as to enable us to exert a greater and more constructive influence over Iranian politics. We must improve our ability to protect our interests during the struggle for succession.

U.S. Interests and Goals

The most immediate U.S. interests include:

- (1) Preventing the disintegration of Iran and preserving it as an independent strategic buffer which separates the Soviet Union from the Persian Gulf;
- (2) Limiting the scope and opportunity for Soviet actions in Iran, while positioning ourselves to cope with the changing Iranian internal situation;
- (3) Maintaining access to Persian Gulf oil and ensuring unimpeded transit of the Strait of Hormuz; and
- (4) An end to the Iranian government's sponsorship of terrorism, and its attempts to destabilize the governments of other regional states.

~~TOP SECRET~~

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Partially Declassified/Released on 7 May 1987
under provisions of E.O. 12358
by D. Ringer, National Security Council

~~TOP SECRET~~

534

~~TOP SECRET~~
UNCLASSIFIEDSYSTEM II
90656THE WHITE HOUSE
WASHINGTON**DRAFT**~~TOP SECRET~~NATIONAL SECURITY DECISION
DIRECTIVE

N 10308

U.S. Policy Toward Iran

Dynamic political evolution is taking place inside Iran. Instability caused by the pressures of the Iraq-Iran war, economic deterioration and regime infighting create the potential for major changes in Iran. The Soviet Union is better positioned than the U.S. to exploit and benefit from any power struggle that results in changes in the Iranian regime, as well as increasing socio-political pressures. In this environment, the emergence of a regime more compatible with American and Western interests is unlikely. Soviet success in taking advantage of the emerging power struggle to insinuate itself in Iran would change the strategic balance in the area.

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- (4) An end to the Iranian government's sponsorship of terrorism, and its attempts to destabilize the governments of other regional states.

~~TOP SECRET~~

Declassify on: OADR

Finally Declassified, Released on 7 May 1987
Under provisions of E.O. 12355
By R. Roper, U.S. National Security Council

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We also seek other broad and important, if less immediately urgent, goals. N10309

- (1) Iran's resumption of a moderate and constructive role as a member respectively of the non-communist political community, of its region, and of the world petroleum economy;
- (2) continued Iranian resistance to the expansion of Soviet power in general, and to the Soviet occupation of Afghanistan in particular;
- (3) an early end to the Iran-Iraq war which is not mediated by the Soviet Union and which does not fundamentally alter the balance of power in the region;
- (4) elimination of Iran's flagrant abuses of human rights;
- (5) movement toward eventual normalization of U.S.-Iranian diplomatic consular and cultural relations, and bilateral trade/commercial activities;
- (6) resolution of American legal and financial claims through the Hague Tribunal; and
- (7) Iranian moderation on OPEC pricing policy.

Many of our interests will be difficult to achieve. But given the rapidity with which events are moving, and the magnitude of the stakes, it is clear that urgent new efforts are required. In moving forward, we must be especially careful to balance our evolving relationship with Iraq in a manner that does not damage the longer term prospects for Iran.

Present Iranian Political Environment

The Iranian leadership faces its most difficult challenges since 1981. The regime's popularity has declined significantly in the past six months, primarily because of intensified disillusionment with a seemingly unending war, the continued imposition of Islamic social policies on a population increasingly reluctant to accept such harsh measures, and a faltering economy brought on primarily by declining oil revenues. The impact of these problems is intensified by the realization that Ayatollah Khomeini's mental and physical health is fragile, which in turn casts a pall of uncertainty over the daily decision-making process.

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Declassified on 7 May 1987
under provisions of E.O. 12958
by D. Roper, National Security Council

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N 10310

Unless the acceleration of adverse military, political and economic developments is reversed, the Khomeini regime will face serious instability (i.e. repeated anti-regime demonstrations, strikes, assassination attempts, sabotage and other destabilizing activities throughout, increasingly involving the lower classes). This condition will sap officials' energies and government resources, intensifying differences among Iranian leaders as the government tries to avoid mistakes that would provoke popular upheaval and threaten continued control.

While it is impossible to predict the course of the emerging power struggle, it is possible to discern several trends which must be accounted for by U.S. policy. As domestic pressures mount, decision-making is likely to be monopolized by individuals representing the same unstable mix of radical, conservative and ultra-conservative factions that now control the Iranian government. The longer Khomeini lingers in power, the more likely the power struggle will intensify, and the greater the number of potential leaders who might affect the outcome of the struggle.

The ultimate strength of various clerical groups and the power coalitions they may form are not known. However, the weaknesses of various opposition groups -- inside Iran and abroad -- are evident, especially the lack of a leader with sufficient stature to rival Khomeini and his ideas. The most likely faction in a power struggle to shift Iranian policy in directions more acceptable to the West -- should their influence increase -- are conservatives working from within the government against the radicals. Radicals within the regime, and the leftist opposition, are the groups most likely to influence the course of events in ways inimical to Western interests.

The Iranian regular armed forces represent a potential source of both power and inclination to move Iran back into a more pro-Western position. Representatives of every faction inside and outside the regime recognize the potential importance of the military and are cultivating contacts with these forces. However, as long as the Army remains committed in the war with Iraq it will not be in a position to intervene in Tehran.

The other instrument of state power, the Revolutionary Guard, is becoming increasingly fractured. It will probably come apart following Khomeini's death, and might even engage in a major power struggle before then. In any scenario, the Guard will be at the center of the power struggle.

DECLASSIFIED ON 7 May 1987

Under provisions of E.O. 12958

By R. Roper, National Security Council

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The Soviets are well aware of the evolving developments in Iran. They will continue to apply carrot-and-stick incentives to Iran in the hope of bringing Tehran to Moscow's terms for an improved bilateral relationship that could serve as a basis for major growth in Soviet influence in Iran. Moscow will clearly resist any trend toward the restoration of a pro-Western Iranian government.

Despite strong clerical antipathy to Moscow and communism, Tehran's leadership seems to have concluded that improvement of relations with the Soviet Union is now essential to Iranian interest. They do not seem interested in improving ties with us. This Iranian assessment is probably based on Tehran's view of what Moscow can do for -- and against -- Iran rather than on an ideological preference to conduct relations with Moscow. The USSR already has much leverage over Tehran -- in stark contrast to the U.S.

Moscow views Iran as a key area of opportunity.

In return, Moscow is certain to offer economic and technical assistance, and possibly even military equipment. While they have heretofore balked at providing major weapon systems, the Soviets might relax their embargo if the right political opportunities presented themselves. While Moscow would probably not act in a manner that severely disrupts its relations with Baghdad, given Iraq's dependency on the USSR for ground forces equipment, Moscow possesses considerable room for maneuver if it senses major openings in Tehran for the establishment of a position of significant influence.

Moscow may also pursue a strategy based on support of separatist movements. The Soviet Union has had ample opportunity to cultivate the ethnic groups that cut across the Soviet-Iranian border. Most ethnic groups are unlikely to challenge the central government in Tehran as long as they fear severe reprisals. But in the areas of Iran adjacent to the Soviet border, the Soviets can provide a security umbrella to protect rebellious ethnic groups from reprisals.

The U.S. position in Tehran is unlikely to improve without a major change in U.S. policy. The challenge to the U.S. in the post-Khomeini period will be severe. Any successor regime will probably seize power in the name of Islam and the revolution and

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N 10312

can be expected to have a built-in anti-American bias. A more conservative regime, still Islamic, might lessen the emphasis on revolution and terrorism and could move cautiously toward a more correct relationship with the U.S. On the other hand, radical forces will try to exacerbate anti-American feelings to strengthen their own positions at the expense of the conservatives.

Our leverage with Iran is sharply reduced by the current degree of hostility that springs from the ideology of the radical clergy, especially as it serves their foreign policy goals. Moreover, the moderate and conservative elements of the clergy may also share the radicals' belief that we are inveterately hostile to the Islamic government, making accommodation with the U.S. impossible. The clerical regime continues to believe that the U.S. has not accepted the revolution and intends to reverse the course of events and install a puppet government. This perception has been reinforced by our restoration of diplomatic relations with Iraq, efforts to cut the flow of arms to Iran, and direct threats of military action in retaliation for Iranian-inspired anti-U.S. terrorism.

U.S. Policy

The dynamic political situation in Iran and the consequences for U.S. interests of growing Soviet and radical influence, compel the U.S. undertake a range of short- and long-term initiatives that will enhance our leverage in Tehran, and, if possible minimize that of the Soviets. Particular attention must be paid to avoiding situations which compel the Iranians to turn to the Soviets. Short-term measures should be undertaken in a manner that forestalls Soviet prospects and enhances our ability, directly and indirectly, to build U.S. and Western influence in Iran to the maximum extent possible in the future. Planning for the following initiatives should therefore proceed on a fast and longer-term track. The components of U.S. policy will be to:

- (1) Encourage Western allies and friends to help Iran meet its import requirements so as to reduce the attractiveness of Soviet assistance and trade offers, while demonstrating the value of correct relations with the West. This includes provision of selected military equipment as determined on a case-by-case basis.

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- (3) Increase contacts with allies and friends [REDACTED] on the evolution of the Iranian situation and possible means for influencing the direction of change, and be ready to communicate with Iran through these or other countries [REDACTED]
- (4) Take advantage of growing political fragmentation by:
- discreetly communicating our desire for correct relations to potentially receptive Iranian leaders;
 - [REDACTED]
 - providing support to elements opposed to Khomeini and the radicals.
- (5) Avoid actions which could alienate groups potentially receptive to improved U.S.-Iranian relations.
- (6) Respond to Iranian-supported terrorism with military action against terrorist infrastructure.
- (7) Enhance our effort to discredit Moscow's Islamic credentials with a more vigorous VOA effort targeted on Iran.
- (8) Develop [REDACTED] action plan in support of the basic policy objective, both for near-term contingencies (e.g. death of Khomeini) as well as the long-term restoration of U.S. influence in Tehran.
- (9) With respect to the Gulf war:
- Continue to encourage third party initiatives to seek an end to the war;
 - Increase military cooperation with Gulf Cooperation Council countries, and bolster U.S. military capabilities in the Gulf area to enable CENTCOM to be fully capable of carrying out its mission; and
 - Seek to curb Iran's collaboration with its radical allies (i.e. Syria and Libya).

Formerly Declassified/Released on 7 May 1987
 under provisions of E.O. 12958
 by D. Rieger, National Security Council

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To	Name and Address	Date	Initials
1	D. Fortier	7/22	
2	H. Teicher	7/22	
3			
4			
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xx	ACTION	FILE
	APPROVAL	INFORMATION
	COMMENT	PREPARE REPLY
	CONCURRENCE	RECOMMENDATION
	DIRECT REPLY	RETURN
	DISPATCH	SIGNATURE

REMARKS

9-41 9-41
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N 7582

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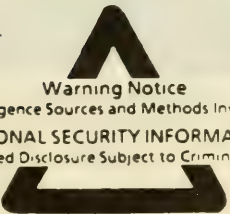
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NSC INTELLIGENCE DOCUMENT

1/25/77


 Warning Notice
 Intelligence Sources and Methods Involved
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 Unauthorized Disclosure Subject to Criminal Sanctions

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Central Intelligence Agency



Washington, D.C. 20505

N 7583

18 July 1985

MEMORANDUM FOR: The Honorable Robert C. McFarlane
Assistant to the President for
National Security Affairs

SUBJECT: Draft NSDD re U.S. Policy Toward Iran

1. I strongly endorse the thrust of the draft NSDD on U.S. Policy Toward Iran, particularly its emphasis on the need to take concrete and timely steps to enhance U.S. leverage in order to ensure that the USSR is not the primary beneficiary of change and turmoil in this critical country. While I am broadly in agreement with its assessment of the current political situation, the NSDD needs to reflect more fully on the complex of Soviet motives and recent actions towards Iran and their implications for U.S. policy initiatives. Moreover, I believe that the NSDD should be more precise about the extent and nature of domestic disaffection with the regime and about the potential for encouraging a more pro-Western stance within the regular armed forces and the Revolutionary Guard. Finally, I offer some specific suggestions on the draft itself that refine and add to the proposed U.S. policy actions.

2. The draft NSDD portrays the current Iranian regime as moving to improve its relations with the Soviet Union because of Iran's mounting difficulties. While true, it ignores the following recent developments indicating that Moscow has rebuffed the Iranians:

-- The Soviets recently withdrew between 1,000 and 1,500 Soviet economic advisers from Iran.

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SUBJECT: Draft NSDD re U.S. Policy Toward Iran

N 7584

-- Soviet-Iranian trade has declined significantly over the past year.

-- The Soviets have resumed a hard-line stance in their propaganda on Iran.

There are several possible explanations for these Soviet actions. Moscow may be questioning Tehran's sincerity in changing its anti-Soviet posture during its recent approaches to Moscow. The Soviets also may believe that the current Iranian regime has nowhere else to turn and that they may be able to wring real concessions from Iran by tightening the pressure. Moscow also may be trying to force Iran to end the war with Iraq.

3. This downturn in Soviet-Iranian relations strengthens the case made in the NSDD for our Allies filling the vacuum left by the withdrawal of Soviet economic advisers and the downturn in Soviet-Iranian trade. [REDACTED] are well positioned to help on the projects abandoned by the Soviets. Quick action could block a future return of the Soviets to these projects and remove a major source of Soviet influence in Iran.

4. On the question of the declining popularity of the regime, I would underline that the recent decline has largely occurred among that portion of the populace that is largely uncommitted and passive. The regime still retains steadfast adherents among the lower and peasant classes that are very active politically. At the same time, the NSDD could better reflect that we have seen evidence of a growing cleavage between those loyal to the regime and those opposed to it. U.S. actions-- [REDACTED] can exploit this cleavage and activate the uncommitted.

5. In formulating U.S. policy, we need to keep in mind that Iranian policy actions do not spring from a single source. The NSDD therefore might usefully highlight on page 3 that we might well witness a move toward moderation and accommodation on the part of the pragmatists while at the same time the radicals will be seeking to undermine those policies and seek the initiative through engaging in terrorist acts designed to radicalize the atmosphere and upstage the pragmatists.

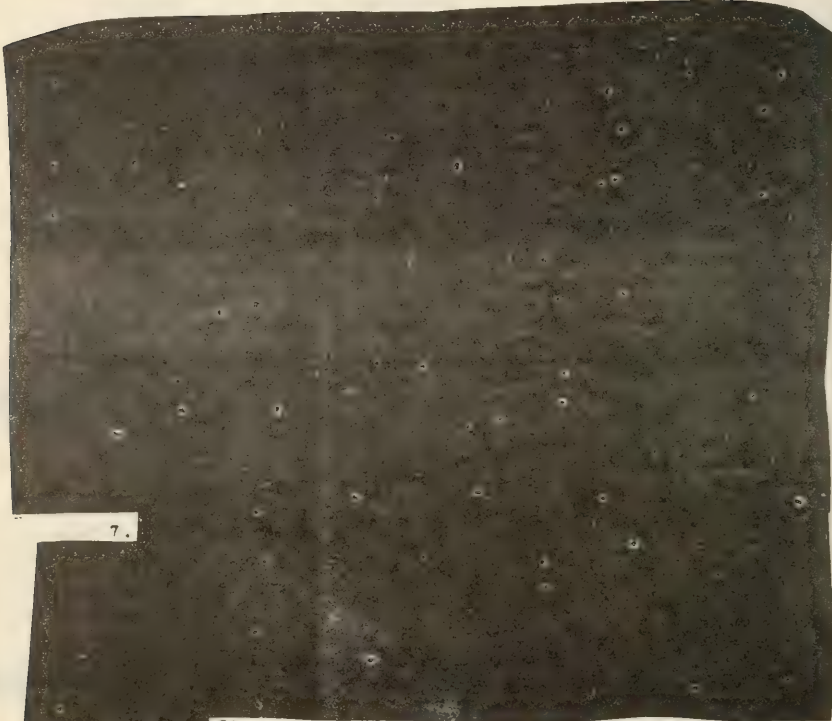
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N 7585

SUBJECT: Draft NSDD re U.S. Policy Toward Iran



7.

Given our serious concerns about this evolution of a post-Khomeini regime and the likely important role of the Revolutionary Guard in a future Iran, I believe the draft NSDD should include an explicit statement in point 4, page 5 that we seek to develop contacts with leaders in the [REDACTED]

8. The following are comments or recommendations on specific points in the NSDD:


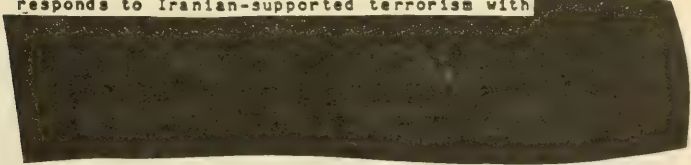
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SUBJECT: Draft NSDD re U.S. Policy Toward Iran

N 7586

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- The U.S also should find opportunities for public statements that stress that we have no antipathy towards Islam and furthermore that we view Islam as a positive moral force in the region in an age when materialism and atheism are on the rise. We should also make clear our lack of hostility to an Islamic Republic in Iran as long as international norms of terrorism and subversion are not violated.
- I agree strongly with points 3 and 5 on page 6 of the draft NSDD that we should seek to open lines of communications to the existing Iranian leadership and should avoid actions that could alienate Iranians potentially receptive to improved relations with the U.S.. At the same time, if the US adopts point 6 and responds to Iranian-supported terrorism with
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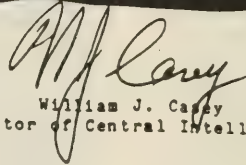
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SUBJECT: Draft NSDD re U.S. Policy Toward Iran

N 7587

economic reprisals.William J. Casey
Director of Central Intelligence

All portions are classified TOP SECRET.

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17 June 1985

9-48

MEMORANDUM FOR: Chief, Near East Division, DO
FROM: Director of Central Intelligence
SUBJECT: Release of Hostages

1. John Shaheen

2. Shaheen received a call from a Dr. Cyrus Hashemi who is currently in Hamburg at the Hilton Hotel in Room 703. Hashemi has tried to get in touch with us before offering to put us in touch with leading figures in the Iranian Government. When we learned that Hashemi is under investigation for violations of export control laws, we pulled away.

3. His recent call to Shaheen offered a change in Iranian policy (or information about a change in policy) that he could provide if the American Government would be able to get him a nolle prosequi -- in short, if we are able to take the pending indictment for conviction off his back. Shaheen said that he had no power to do that but then asked whether Hashemi's contacts with the Iranian government were good enough to spring the hostages if he could be gotten off the hook. Shaheen did this knowing that there have been occasions where nolle prosequis had been arranged for high national security considerations. What he was doing was feeling out Hashemi to see what kind of a reaction he would get. Hashemi said he would call back and in two hours he was back on the phone having, he said, talked to the [redacted]. He came back asking for the release of the DAWA hostages, plus TOW weapons, plus his nolle prosequi. Shaheen dismissed this saying no weapons, no DAWA prisoners. Then again, to feel him out, said, although I can't speak for the US Government, I understand that it will not negotiate with terrorists, and you might be able to get some Italian medical supplies or something like that [redacted].

Again Hashemi said he would check and called back within a couple of hours claiming that he had talked again to [redacted] and that they weren't interested in Italian medical supplies but they were willing to have a high ranking representative from Tehran [redacted] as early as Wednesday or Thursday of the coming week. He would have an agenda of what they were interested in. [redacted]

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CL BY [redacted]
RVW OADR

REVIEWED FOR RELEASE

DATE 20 May 87

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5. Dr. Hashemi claims to be in touch with [redacted] and says he knows about a recent attempt by George Bush's brother, [redacted] together with a man named Shekeleh (no further identification) to contact the Iranians on this. Shaheen claims that he has made it clear that he can't do it for anything, that the US Government does not deal with terrorists, that if there is a meeting [redacted] nothing at all could be agreed upon in advance, that it would be up to the Iranians to tempt the [redacted] with an offer which [redacted] might be able to work out.

6. This should probably be taken up with Dick Murphy to see whether it is ready under the circumstances to see if [redacted] would be willing to listen to whatever proposition the Iranians might have in mind bringing [redacted] and to listen to whatever surrounding information might be available.

7. I ran into Rick Burt last night and discuss this with him. He thought that it was interesting and indicated that there had been recent knowledge that a nolle prosequi had been arranged and said he would talk to Dick Murphy about it. I think we might touch base with the Assistant Secretary of State for International Organizations as well as with Murphy and in doing so tell Dick about Burt's reaction. I suggest that he might want to check with Burt.


 William J. Casey

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CIN 3733

REMOVED FOR RELEASE

DATE 20 May 87

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HSC 4886

Chapter 7 FBI 134,48
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1. SUMMARY: On 22 April 1986, the United States Customs Service and the United States Attorney's Office for the Southern District of New York announced the indictment of seventeen individuals on charges that they were participants in an illegal scheme to smuggle \$2.5 billion in American-made warplanes, missiles and other weapons to Iran. This case has received prominent play in the foreign and domestic press (see attachment) and has been of interest to the Israeli government due to the involvement of a retired Israeli general. The bait in Custom's sting operation was Cyrus Hashemi, a former Agency and State Department contact. Hashemi's previous relationship with United States government agencies could be an issue at trial. The case is tentatively set to go to trial in November 1986. 9-48

2. Cyrus Hashemi is well and unfavorably known to the Directorate of Operations and the Department of State. The following is a summary of our involvement with Mr. Hashemi.

A. In early 1980, during the Iranian hostage crisis, Hashemi made representations to State that he could serve as a channel for negotiations concerning the hostages.

It developed that Hashemi did not have the ability to perform as projected and it was suspected that his offers were part of a scam.

B. During 1983 and early 1984, Hashemi was under investigation for arms export control violations. In separate meetings with the Agency and the Department of State, Hashemi's attorneys threatened to tell all if their client was brought to trial. It was the DDCI's decision that the Agency would have no objection to prosecution even in light of Hashemi's attempts at graymail. State was more reluctant because of the damage revelations would have on foreign relations. A federal arrest warrant was issued in May 1984 on Hashemi. His flight from prosecution to Europe effectively put the prosecution on the shelf.

C. In June 1984, the DCI learned from John Shaheen, a personal acquaintance of the DCI, that Hashemi had information he wished to pass to the Agency. Because Hashemi was a fugitive from justice, Shaheen was informed by the DCI that the Agency had no interest in pursuing Hashemi's offer.

D. During June - August 1985 Shaheen and one of Hashemi's attorneys were in contact with the Agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Hashemi sought to arrange for charges against him to be dropped in return for his cooperation. Both the Agency and State investigated Hashemi's claims, with no positive results. 4568

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DATE 20 May 87

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Chapter 9 FN# 13,48
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3. Until his death of natural causes in July of 1986, Hashemi was to be one of the primary witnesses at trial. Even though we had no part in the Customs sting operation, the Agency may be brought into the case because the defense may make an issue of Hashemi's attempts to contact the Agency to secure favorable treatment on his 1984 indictment.

4. Representatives from the Directorate of Operations and the Office of General Counsel have met with the Department of Justice attorney and the local prosecutor to brief them concerning our equities in this case and to allow them to review redacted versions of Agency documents. They have been made aware that our primary concerns are to protect from disclosure

the details of our involvement with the attempt to arrange the hostage release in 1985, the identities of covert sources, and the identities of covert CIA officers. As it now stands, we are anticipating that we will be compelled to acknowledge our relationship with Hashemi with a summary description of his post indictment activities that are relevant to an entrapment defense.

5. On 5 September 1986, we were informed that one of the defense attorneys had indicated to Mr. Hashemi's attorney, William B. Wachtel, interest in reviewing his file on Hashemi and discussing with him his knowledge of Hashemi's activities. Mr. Wachtel is inclined to assert attorney client privilege. Based on information in our files, it is obvious that Mr. Wachtel is fully informed on Hashemi's dealings with various government agencies. OGC is currently discussing with Justice and State attorneys means to prevent the release of classified information by Mr. Wachtel.

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CIIN 3792

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DATE 2 May 87
BY ASG/SSC

Chapter 9 FN #133
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MEMORANDUM FOR:

Chief, [REDACTED]

ATTENTION:

FROM:

Chief, [REDACTED]

SUBJECT:

OGC Name Trace Request

REFERENCE:

- A. [REDACTED] Two-Way Memo dated 13 May 1986
 B. OGC-86-51313 dated 9 May 1986

1. The following is in reference to your request dated 13 May 1986 for information concerning referenced subjects. (U)

2. [REDACTED] surfaced on Cyrus Hashemi-Naini, DPOB: 26 December 1939, Iran. The following updates previous information provided to the Office of General Counsel on Hashemi and OGC-84-1472 of 7 February 1984 which details OGC's meeting with Hashemi's attorney.

A. On 17 May 1984, A federal arrest warrant was issued on Hashemi for arms export control violations. As of 25 May 1984, Hashemi was reported to be in London.

B. [REDACTED]

C. During June - August 1985, a Hashemi intermediary and one of his attorneys was in contact with the agency regarding Hashemi's alleged ability to intercede with Iranian officials to secure the release of the hostages in Lebanon. Much time and effort was spent in this endeavor which was fruitless. Hashemi sought to arrange a nolle prosequi in return for his cooperation. ~~LOT~~

D. In December 1985, representatives of the Directorate of Operations and OGC met with U. S. Customs officials to discuss their proposal to use Hashemi. They were told in general terms of his background. They were also informed that he was described in our files as a sleazy and slippery character who had previously been involved in nefarious activities. The Customs officials indicated that they would be in further contact with more specific requirements. The DDO was unaware of Customs' ongoing activities with Hashemi until charges were brought on 22 April 1986. ~~LOT~~

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CHAPTER 9
FN #48

Washington, D. C. 20520

6/22/85

UNCLASSIFIED

June 22, 1985

Under Secretary of State
DATE: 24 JUN 1985

ACTION MEMORANDUM

23p 44

3812

R0016

R0016A (Attached)

SECRET/SENSITIVE

TO: P - Mr. Aracost
FROM: SEA - Richard W. Murphy
SUBJECT: Possible Iranian Contact Via Cyrus Hashemi

ISSUE FOR DECISION

Whether to pursue a meeting brokered by Cyrus Hashemi to discuss "hostages" with an Iranian official.

ESSENTIAL FACTORS

You will recall our earlier discussions on the Cyrus Hashemi case, about which Elliot Richardson had called you. Hashemi, who is living in West Germany, has now reentered the scene and has contacted a friend of Bill Casey's, with an offer to bring forward an Iranian official to discuss "U.S. hostages" in return for lifting a U.S. indictment for 1979-82 arms trading now outstanding against Hashemi (see attached CIA report which gave us). Justice has no interest at this time in releasing Hashemi from the indictment (although it would be difficult to extradite him and he cannot be prosecuted unless he enters the U.S.) and we do not want to take any action which might prejudice Justice's case against him.

While the chance may be slim that Hashemi can deliver an appropriately senior Iranian for a 2-hour meeting next week, as he has undertaken, we would nevertheless not want to pass up an opportunity to talk with an appropriate Iranian official about the hostages. (In this case we presume he is talking about the seven hostages who have been held for lengthy periods by Iranian-influenced groups in Lebanon). Hashemi has a slavery record.

But he does appear to have some top contacts in the Iranian hierarchy.

I consulted urgently with Justice on June 20 to ascertain its reaction to the Hashemi proposal. We had suggested that no U.S. official would meet with Hashemi and the official from Tehran since we do not want to jeopardize the case against the former. We suggested that we could ask the [redacted] to send

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Classified by [redacted]
Under provision 1.4 E.O. 12356
By B. [redacted], National Security Council

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a professional to listen to the Iranian representative next week.

It reports that Justice, taking into consideration the current hostage crisis, felt that we could go ahead with the Mshenit-arranged contact next week. Justice understands that we would be in a listening mode and would undertake no discussion which could be construed as negotiation with Mshenit. Justice also thought that if we could not identify a third country official to do the job that we could send a U.S. citizen, including possibly a USA employee, but would prefer we not be directly involved in discussion with Mshenit.

Although we would prefer not to deal, even indirectly with Mshenit, and the chances for a successful meeting are slim, on balance, we believe we should go ahead using a [redacted] representative. We would be very clear that he would not have any authority to negotiate on behalf of the US with the Iranian representative and would basically be there to listen. Once we have the results of the discussion, we can decide how to proceed.

We will keep the close touch with the [redacted] front office if we decide to go ahead.

Finally, Bill Cherry is very anxious to move ahead on this proposal. I suggest you call him to say we are urgently working on the issue and will be back to him as soon as possible. We have passed the same message to [redacted] C/and (C/)

That you authorize NSA to explore the possibility of a meeting in home of a third country diplomat with an Iranian official.

Agree

Disapprove

Alternatively, that you authorize a USA official to attend the meeting.

Agree

Disapprove

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5/6/87

Attachment:

Casey Name of June 17

DRAFTED: NSA/NSA:AFBurlington 5/30/85

Wang 2115A Z. 0313

Clearance:

L. L. Pollard

NSA: J. Placke

NSA: A. R. P. H. C. I.

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5/6/87

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 Date: *July 3, 1985*

UNCLASSIFIED

Chapter 9 FN 48
 UNCLASSIFIED

9082
 C9082

MEMORANDUM FOR THE RECORD

SUBJECT: Message for John Shaheen to Pass to Hashemi re:
 Contact with Two Iranians

1. I-phoned Shaheen at 1800 hours on 12 July to give him the State Department approved plan. I gave it to him in two phases. The first was for his information only, that we have confirmed [redacted] is an important figure [redacted]

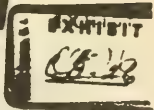
[redacted] The second name we were given by Hashemi has been confirmed to us to be a fabricator and unreliable. In fact we have had a previous bad experience with him on the hostage issue. I told Shaheen not to provide this information to Hashemi.

2. Hashemi is to be given the following [redacted] will be prepared to meet at a time of the Iranian's convenience [redacted] with [redacted] He may bring MANOUCHEHR with him if he wishes. [redacted] will not repeat not meet with MANOUCHEHR alone. Shaheen replied that he got the point; it made sense to him; and he would send it promptly to Hashemi, who is probably in Geneva.

3. Shaheen departs for Tokyo at 1100 hours on 13 July and will be at the Tokyo Imperial Hotel for about a week after Sunday noon. I have his phone number.

4. The above plan was proposed by us to DAS Arnie Raphael and approved by Mike Armagost on Friday afternoon. They will send another interim cable [redacted]

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 under provisions of E.O. 12356
 by B. Reger, National Security Council



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9 July 1985

2003

MEMORANDUM FOR THE RECORD

SUBJECT: New Developments on the Shaheen-Hashemi Indirect Channel to Iran

Not Declassified/Released on 19 Aug 87
under provisions of E.O. 12356

by B. Reger, National Security Council

1. John Shaheen phoned late on 8 July with the two Iranian names who are willing to meet [REDACTED]

They are: [REDACTED]

a. [REDACTED]

and

b. Manouchehr (Inu), a ranking Intel Officer.

Shaheen said that we can confirm the full identity of Manouchehr [REDACTED]

Hashemi claims that Manouchehr was helpful in the release of the TWA 39 hostages [REDACTED] (We know of no basis for this claim).

2. Hashemi claims that the Iranians are more interested in a change of course than in any other quid pro quo. When asked to clarify whether that meant a US change of policy or an Iranian change, Shaheen said he thought it meant both; i.e., a change in the course of US-Iranian relations. Hashemi claims that Syria will not be involved in the release of the seven remaining hostages because Hizballah deals directly with Iran.

3. Shaheen said, "We are not dealing with children; Hashemi now insists that it be made clear to the US Government that as soon as the seven hostages are sprung, he will get his nolle prosequi." Hashemi asked for confirmation from Shaheen which government agency was involved. Shaheen told him on the international phone lines that it was the Bureau of Fisheries. Hashemi replied that whether it was Weinberger, Schultz, Casey, or the Bureau of Fisheries, his lawyer, Elliot Richardson, needs at this time to confirm that the US Government acknowledges Hashemi's helpful role if the seven hostages are released. (I later phoned Shaheen back at his insistence to repeat the previous talking point from State.) "Our willingness to have [REDACTED]

[REDACTED] meet with a confidential representative of Iran as an initial step does not mean any willingness on the US Government's part, including the Department of Justice, to take [REDACTED]

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any judicial step concerning Mr. Hashemi. The possibility of any such step could only be addressed, if at all, after the US Government has learned from the [redacted] first meeting. [redacted] Hashemi said he did not think that would be enough for Hashemi. He will phone back on 9 July (possibly to the DCI) to urge that someone in the US Government confirm to Elliot Richardson that this is a legitimate US Government channel that Hashemi is assisting.

4. All of the above has been passed to Peter Burleigh at State. The next step is for State to confirm with [redacted] that they are ready to meet with the two Iranians within the next week. I will then phone that back to Shaheen and the Iranians will advise through Hashemi their time of arrival [redacted]

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by B. Reger, National Security Council

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DATE 20 May 87

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TO: IMMEDIATE DIRECTOR INFO

Partially Declassified / Released on 19 Aug 87
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

REFS: A. [REDACTED]
B. DIRECTOR 444984

DO 308159

03 07/30

1. ON 12 JULY, [REDACTED] MET WITH [REDACTED] AND INFORMED HIM AS
FOLLOWS: WE HAVE BEEN PRESENTED WITH AN OPPORTUNITY TO MEET WITH
REPRESENTATIVES OF THE GOVERNMENT OF IRAN. THESE REPRESENTATIVES
SAY THEY ARE IN A POSITION TO OBTAIN THE LIBERATION OF THE SEVEN
AMERICAN HOSTAGES. THOUGH WE ARE SKEPTICAL WE FEEL WE MUST FOLLOW
UP. THE REPRESENTATIVES ARE [REDACTED]

[REDACTED] AND A CERTAIN MANOUCHER, SUPPOSEDLY A HIGH-
RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY WAS INFORMED
US THAT WE CAN CONFIRM THE IDENTITY OF MANOUCHER [REDACTED]

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On March 88
HSC & SRC

5. FILE

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12 Jul 85

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Arnie--

Update on the Hashemi escape. As of last night, [redacted] was still negative about the two names offered -- [redacted] and Manachehr (intell officer). [redacted]

It turns out [redacted]

[redacted] that he was a fabricator. According to [redacted] our only knowledge of [redacted] in the biographic files is through reporting from Manachehr who [redacted] claimed, among other things, that [redacted] was the individual responsible for the kidnapping of William Buckley. In other words, CIA has been around this same issue [redacted] earlier and had [redacted] come to the conclusion that he was not reliable. [redacted] inclination, thus, was to recommend to Casey that the Hashemi connection be dropped. He said they would do nothing, however, pending further word [redacted] This issue may come up at the 3:00 pm meeting with [redacted] C/AIG (CIA)

Our Manachehr, the one Steve Grummon resurrected from his files, is another one apparently (see attached TD, part 2D).

If they do want to kill the initiative, it would be worth asking if they are sure that their Manachehr is the one in question, i.e., it's a fairly common name and how do they know it's the one who was the fabricator? We have not been able to identify [redacted]

variously described as [redacted] or [redacted]

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Date 27 March 87

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by B. Reier, National Security Council

3741 Peter

B. FRIER

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TOT: 05 JUL 85

DIRECTOR 444984

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STAFF-02
TOT: 1144Partially Declassified/Released on 19 Aug 89
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: POSSIBLE CONTACT WITH IRANIAN GOVERNMENT REPS

1. THROUGH A COMPLEX SERIES OF LEADS WE HAVE BEEN PRESENTED WITH AN ALLEGED OPPORTUNITY TO MEET WITH REPRESENTATIVES OF THE IRANIAN GOVERNMENT. THESE REPRESENTATIVES PURPORTEDLY ARE CAPABLE OF SECURING THE RELEASE OF THE SEVEN HOSTAGES. WHILE WE ARE SKEPTICAL THAT THIS IS A BONA FIDE INITIATIVE WE MUST FOLLOW-UP UNTIL WE ARE MORE CONFIDENT ABOUT WHAT WE ARE DEALING WITH.

2. THE ALLEGED REPRESENTATIVES ARE [REDACTED] AND A MANOUCHEHN (LNU), A RANKING IRANIAN INTELLIGENCE OFFICER. AN INTERMEDIARY HAS ADVISED US THAT WE CAN CONFIRM THE FULL IDENTITY OF THE LATTER [REDACTED]

3. [REDACTED]

4. FYIO: MOS SUSPECTS MANOUCHEHN IS IDENTICAL WITH [REDACTED] WE NOTE [REDACTED] IS RESIDENT IN EUROPE. WE ALSO NOTE THAT ALL OUR INFORMATION [REDACTED] SYSTEMS FROM [REDACTED] REPORTING. AS YOU KNOW, WE BELIEVE [REDACTED] TO BE A FABRICATOR AND HAVE CIRCULATED A BURN NOTICE ON HIM (DIRECTOR 023056).

5. PLEASE ADVISE. GREATLY APPRECIATE ASSISTANCE.

6. FILE [REDACTED] DECL OADR DRV HUM 4-82. ALL SECRET.
ORIG: [REDACTED] AUTH: [REDACTED] COORD: [REDACTED]
O: REL: [REDACTED] CL BY [REDACTED]

END OF MESSAGE

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EXHIBIT
C-4-24

DO 004156

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Boulevard

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Date 27 March 87
BY [REDACTED]

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9 Jul 85

CIIN 1034

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Chapter 9 PW 48

UNCLASSIFIED

23 July 1985

C 9072

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Claims He will Set Up Meeting [REDACTED] After All

1. John Shaheen phoned me from Tokyo late Saturday evening, 20 July to say that Hashemi has been in touch, obviously via international phone. Shaheen said since we will not meet with the Hashemi lawyer, Elliot Richardson, as Hashemi demanded, Hashemi has decided to proceed anyway with setting up the meeting [REDACTED] When

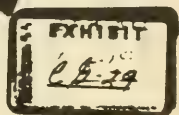
I expressed surprise, Shaheen said it is the only shot that Hashemi has to get his nolle prosequi.

2. The next step is for Hashemi to advise the date of the meeting [REDACTED]

3. Shaheen again apologized for the mistake of his secretary in giving Mr. Elliot Richardson my office telephone number. He said it happened because she was not witting of my interest, and he was out of touch in rural Japan.

4. Arnie Raphael at State has been notified of the above.

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by B. Roger, National Security Council



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DATE 20 May 87

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DD/O 95-1352

C 9075

19 August 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Hashemi-Elliott Richardson Contact

1. Elliott Richardson phoned the DCI on 14 August to find out if the illusive [redacted] (the undersigned) worked for the DCI and to see if a meeting could be arranged to find out the Agency's intentions toward his client, Mr. Hashemi. At the DCI's instruction, I telephoned Mr. Richardson back to repeat the status of our relationship with Mr. Hashemi.

2. Mr. Richardson was informed that the ball remains in Mr. Hashemi's court, as it was the last time we talked on 16 July. Mr. Richardson said that he understood that Hashemi had dropped his condition, i.e., that Hashemi would do nothing until the US Government spoke to his lawyer.

3. Mr. Richardson said that he was anxious to know if his client would be treated fairly, commensurate with the effort he was making on our behalf. I had him hold on the phone while I found the correct language in our file, then read him the language we received from State and Justice: "the possibility of any judicial consideration for Mr. Hashemi can only be addressed after the US Government has learned what the results of the first meeting in Europe is which Mr. Hashemi allegedly is setting up." Mr. Richardson tried to ask what "consideration" meant and to elicit further our thinking on the nolle prosequi. I repeated only that there was nothing further we could say until a meeting takes place. The ball has been in his client's court for some weeks and that frankly his client does not have a good track record in these matters. I also noted that Mr. Hashemi has an established channel through a third party when he wishes to reach us. Richardson replied that he had attempted to reach that third party (Mr. Shaheen) but was unsuccessful.

3. Two problems occur:

a. I am no longer sure that Mr. Shaheen will be available as an intermediary in the event that Mr. Hashemi talks to us again. Perhaps the DCI has more information on Mr. Shaheen.

EXHIBIT

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DCI
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DATE

20 May 87

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by B. Regel, National Security Council

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C DIA OFFICER [REDACTED]
b. Has he been introduced? When he is, presumably he would take over the Richardson connection as well. [REDACTED]

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CIIN 3802

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FOR RELEASE
20 May 87
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C 9077

15 July 1985

Partially Declassified / Released on 19 Aug 87
 under provisions of E.O. 12338
 by B. Reger, National Security Council

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Tries to Play Hard Ball

EXHIBIT

C6-27

1. At 0930 on Saturday, 13 July, Mr. Shaheen phoned my home to say that Hashemi accepts our proposal that [REDACTED] must be present at the first meeting. Hashemi, however, added the condition that nothing further would be done to set up this first meeting until someone in the USG talked to his lawyer, Elliot Richardson. [REDACTED]

2. I repeated our previous position, that no consideration would be given to discussing Hashemi's legal problem until after the first meeting took place. Therefore, we consider further progress in this channel at an end until Hashemi withdraws his requirement that someone must speak to Richardson.

3. Shaheen agreed that this tactic made sense to him in view of the derogatory information we had on the other Iranian, MANUCHEHR. Shaheen was also at pains to say that he was anxious to be helpful to the DCI and was not in any sense a close friend of Hashemi. We agreed that in both the intelligence and oil businesses, not all deals pan out, and I gave him some profuse thanks for his efforts in this case.

4. The above was relayed to Peter Burleigh of State on Saturday, 13 July, and State forwarded a status report [REDACTED]

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20 May 87
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Chapter 9
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On 17 May 1984 a Federal Arrest Warrant was issued for Cyrus HASHEMI and his two brothers Jamshid and Reza for arms export control violations. The warrant is based on several proven violations of arms embargo. Reza was arrested in New York in May 1984 and is presently in jail. Cyrus and Jamshid are living in London. Cyrus, born circa 1940 in Iran, is U. S. citizen.

In an attempt to obtain a nolle prosequi, Cyrus HASHEMI, via John Shaheen, is reportedly intermediary in arranging a change of policy vis-a-vis U. S.-Iran relations. HASHEMI claims that Syria will not be involved in the release of the seven (July 1985) remaining hostages because Hizballah deals directly with Iran. Two Iranians are willing to meet with the [redacted] as an initial step; they are [redacted] and Manuchehr GORBANIFAR [redacted] - a known fabricator who has previously alleged he could place us in contact with [redacted]. Despite our interest, [redacted] never was able to produce [redacted].



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20 May 87

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Chapter 9 FN 48
151
C 9079

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23 July 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Hashemi Claims He will Set Up Meeting in [REDACTED] After All

1. John Shaheen phoned me from Tokyo late Saturday evening, 20 July to say that Hashemi has been in touch, obviously via international phone. Shaheen said since we will not meet with the Hashemi lawyer, Elliot Richardson, as Hashemi demanded, Hashemi has decided to proceed anyway with setting up the meeting between the [REDACTED] and the Iranian, [REDACTED]. When I expressed surprise, Shaheen said it is the only shot that Hashemi has to get his nolle prosequi.

2. The next step is for Hashemi to advise the date of the meeting in [REDACTED].

3. Shaheen again apologized for the mistake of his secretary in giving Mr. Elliot Richardson my office telephone number. He said it happened because she was not witting of my interests and he was out of touch in rural Japan.

4. Arnie Raphael at State has been notified of the above.



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DATE 20 MAR 85

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Chapter 4
FNE
22 November 1984

9-57

AMERICAN HOSTAGES IN LEBANON

N 7452

BACKGROUND

The former head of Savak's Department VIII, Counterespionage General Manucher Hashemi continues to monitor developments in Iran. His motivation for this effort is a desire to see Iran become a non-communist nation with an orderly and just form of government when Ayatollah Khomeini passes from the scene and his revolution becomes a spent force. In pursuit of this objective, General Hashemi believes he and other exiles, who have no political aspirations, can play a modest role in helping Iran to transition from its current chaos to a democratic society. He sees this happening via the process of exiles providing support, guidance and some coordination for "moderates" in Iran who have the courage, vision and resources required to prevent Iran from being dominated by Moscow.

THE DIALOGUE TO DATE

The ebb and flow of the Iran-Iraq war since September 1980 has been of vital interest to oil companies. The trends of the conflict have, therefore, been monitored by risk analysis firms such as ours in order that our clients could be well informed. In seeking factual data on the struggle, we have harnessed various sources including the maintaining of contact with knowledgeable Iranian exiles. General Hashemi has been one of our emigre conversation partners. In October 1984 our dialogue with him took on a new form and substance in that he offered to put us in touch with a number of interesting Iranians who would be traveling in Europe in November 1984. We accepted the offer on the premise that it would help us to evaluate the quality of General Hashemi's future commentary as well as provide a first-hand assessment of what was likely to happen in the Iran-Iraq war which could impact on a volatile and oversold international oil market.

HAMBURG MEETINGS

In the period 19 - 21 November 1984, a number of meetings were held in Hamburg, Germany with General Hashemi and Iranians that he introduced to us. This revealed that Manuchehr Ghorbanifar, President of Bylex Trading Company, 56 Avenue Marceau, 75008 Paris, telephone 7209081, telex 620927, was a major

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cut-out between one group of contacts in Iran and the General. In fact, Ghorbanifar brokered one meeting for us and General Hashemi in Hamburg on November with a most interesting traveler from Iran.

GHORBANIFAR

After the meeting of 20 November with the man from Iran, Ghorbanifar was asked how we might authenticate the visitor's ability to help us in solving some oil contract disputes with Iran. The response was simple -- put the man to the test of performance. In short, give him a simple task to do and if he solved that one, move on to the next one. Ghorbanifar said this technique had worked for him. He then went on to say his own business kept him in close contact with the Iranian market where he played a role by brokering deals between Iranian buyers and European suppliers.

Ghorbanifar said his business was successful but he was also an Iranian nationalist. Due to the latter factor, he was vitally concerned with developments in Iran. He feared that Iran would become a Soviet satellite within the near term -- three to five years -- if he and people like General Hashemi did not do something to stem the tide. He rhetorically asked what can we do, for despite our ability to work with the "moderates" in Iran, we can't get a meaningful dialogue with Washington. According to Ghorbanifar, it is President Reagan who has the destiny of the Iranian people in his hand. When at this juncture Ghorbanifar was asked if he had tried to open a dialogue with the Americans, he said, "We know the CIA in Frankfurt. They want to treat us like Kleenex -- use us for their purpose and then throw us out the window. We can't work with them as they are unreasonable and unprofessional. In fact, if you check on me with them, they will tell you I am unreasonable and undisciplined."

COMMENT: General Hashemi has privately verified that Ghorbanifar has several real estate holdings in Hamburg and Paris. The General said that from what he can see, Ghorbanifar is successful in business. In terms of contacts in Iran, Hashemi said he could only describe Ghorbanifar with the adjective "fantastic." At the same time, Hashemi said Ghorbanifar, while intelligent and a producer of results, had always been hard to control.

[redacted] has told us independently that [redacted] but Ghorbanifar had been an effective agent for SAVAK [redacted] was not a trained intelligence officer but had been an access agent in various cases and had done commercial jobs for SAVAK as a cut-out.

Commercial traces on the Bylex Trading Company and its owner are pending.

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HOSTAGES IN LEBANON

The conversation about the Iran-Iraq war throughout 20 November focused on three issues. They were the land war and the prospects for a Basra sector general offensive, the Gulf maritime war and Kharg Island as its centerpiece and Tehran's export of the revolution with emphasis on what threat the latter was to oil facilities in Iraq, Kuwait, the United Arab Emirates and Saudi Arabia. During the early portions of this conversation, Ghorbanifar said Tehran

Perhaps this could be delivered to the Americans to prove that Hashemi and Ghorbanifar had influential contacts in Iran. In response, it was pointed out that transactions of this type might not be simple, particularly as no one knew what Iran would want in exchange. Ghorbanifar said he would guess Tehran would want TOW missiles. He was urged, therefore, to find a simpler way to prove his bona fides if he in fact wanted to deal with the Americans. Nothing emerged at that juncture in response to that comment. As the day wore on, however, and Lebanon entered into the scope of the conversation, Mr. Ghorbanifar was asked what he knew about Iranian intentions in Lebanon, what role Tehran had played in bombing the American Embassy or kidnapping Americans. The response was he had little hard facts beyond having heard the captured Americans were alive. Ghorbanifar was told that all citizens who had compassion for their countrymen were interested in the fate of Americans who had been captured by terrorists, guerrillas or other unstable elements. If Ghorbanifar could shed light on the status of Americans in Lebanon it would be a humanitarian gesture which would be duly noted by those who count. Ghorbanifar said he assumed we were talking about a tractors for prisoner exchange. The answer was we had nothing specific in mind. On the other hand, we knew oil companies could be generous and if there was a humanitarian deal to be made in simple terms with adequate safeguards for life and funds, we would be willing to take soundings with our oil company clients and contacts to see if a deal could be structured.

There was about a three hour break between the end of the afternoon session on 20 November and a regrouping for after-dinner drinks. In this period, each member of the afternoon session went on his own to different dinner sessions. When the group reconvened, Ghorbanifar said he had thought about the afternoon session, had made some telephone calls, had talked to a friend and could now say the following:

- a. Americans captured in Beirut were alive.
- b. A deal could be made for their release using Iranian channels.
- c. The transaction would be simple -- money for people.
- d. The cover for the transaction would be Ghorbanifar had bought them out and resold them to a private group that raised the funds.

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- e. The transaction had to be kept secret. This meant that whatever final explanation was worked out to advise the media of how the release had been effected, it could not identify Ghorbanifar, Iranians or anything but a private ransom deal.
- f. If this deal interested us, we were to do the following:

- (1) provide the full names of the captured Americans;
- (2) indicate the date of their capture;
- (3) provide the given name of each captive's father.

Ghorbanifar was told we had noted his points and would take appropriate soundings. When we indicated surprise at the speed of his decision-making process, he laughed and said he was an operator and now the ball was in our court. He wondered aloud if we could react as quickly as he had. We said we doubted that we could, for we were both cautious and deliberate.

COMMENT

In subsequent private discussions late on 20 November, General Hashemi told us he did not know who Ghorbanifar had contacted on this matter or how. He said he would attempt to find out and might have an answer in ten days time. This delay was due to the fact that Ghorbanifar and Hashemi would both be traveling as of 21 November and could not talk securely for a number of days. We know Hashemi flew from Hamburg to London on 21 November 1984.

No names of the Americans captured in Lebanon were discussed at any time by either party. In terms of numbers, we said we thought four Americans were unaccounted for in Lebanon. We had in mind the following:

- a. Jeremy Levin of Cable News Network who was kidnapped on 7 March 1984;
- b. William F. Buckley, an American Embassy officer, who was kidnapped on 16 March 1984;
- c. Benjamin M. Weir, a Presbyterian Minister kidnapped on 8 May 1984.

It must be stressed, however, that we never surfaced their names, organization or date of capture.

SECURITY EVALUATION

General Hashemi is independently wealthy. He travels on the basis of his own funds plus discounted airline tickets that he receives from a son-in-law who

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has a travel agency. Our relationship with him has been based on a mutuality of interest in Iranian affairs. We reciprocally host luncheons or dinners.

Ghorbanifar has no known intelligence connections with any Western intelligence service. He is a "wheeler dealer" and could play both ends against the middle for a profit in a business deal. On a political matter concerning Iran, it would appear, however, that he could be kept on track if he were tasked via Hashemi.

PROPRIETARY INTEREST

It is our intent to continue our dialogue with General Hashemi, for he has been helpful in the past in assisting us to understand events in Iran. Mr. Ghorbanifar is a new entity on our commercial horizon and we are evaluating his potential to contribute to our ventures. In sum, while we have spelled out with frankness how this situation unfolded, we have done so out of concern for a friend and other fellow Americans. (COMMENT: Mr. Buckley was known to us from TIS service in Vietnam.) With equal candor, we must state that while we expect the data we have furnished to be checked, if it interests anyone in government, we must insist the verification effort be carried out in a manner that will not prejudice our relationship with General Hashemi and Mr. Ghorbanifar. Put another way, we have invested time and money into developing and maintaining relationships that by our criteria are useful. As a result, we want to preserve them and request this sensitivity factor on our part be both noted and honored as this situation is evaluated. In this context, please note the attached article on risk assessment which outlines some of our commercial concepts.

ACTION REQUESTED

We must, in the course of the next two weeks, give Mr. Ghorbanifar some response to his feeler on a ransom deal. It is requested, therefore, that we be advised by no later than 7 December 1980 how we are to respond. It is, of course, understood that any reply has to take into account current policies on the topic of ransom. If it would be of assistance to those considering the nature of the reply, we would be available for a discussion of the data outlined in the preceding paragraphs.

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UNCLASSIFIEDChapter 9 FN# 58
1982
N10579

July 11, 1985

9-58

RCM:

JMP talked with Michael Ledeen this morning about an urgent message from Peres for McFarlane which Al Schwimmer, a Jewish-American who provides lots of money to Peres, wants to deliver to RCM.

In the meantime, Schwimmer has flown down here and had lunch today with Michael Ledeen and Ledeen has called back with the following:

"It is indeed a message from Prime Minister of Israel; it is a follow-on to the private conversation he had last week when David Kimche was here. It is extremely urgent and extremely sensitive and it regards the matter he told David he was going to raise with the President. The situation has fundamentally changed for the better and that I must explain to him because it will affect his decision. It is very important. It won't keep more than a day or two but could keep until Saturday morning. This is the real thing and it is just wonderful news."

Should I try to schedule Ledeen to see you?

☐ Yes, Friday afternoon

☒ Yes, on Saturday

☐ No, I don't want to see Ledeen

Other: _____

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Wilma

Rm. 654-0538

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under provisions of E.O. 12356
by B. Reger, National Security Council

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Name and Address		Date	Initials
Robert McFarlane			
IN	FILE		
ADVAL	INFORMATION		
MENT	PREPARE REPLY		
IRRENCE	RECOMMENDATION		
REPLY	RETURN		
CH	SIGNATURE		
Oliver North (#2) Jim Radzimski (#3)			

Chapter 9 F

9-99

UNCLASSIFIED

SECRET

6410

**SECRET
EYES ONLY**

NSC/ICS CONTROL NO. 400993

COPY NO. 1 OF

HANDLE VIA SYSTEM IV CHANNEL ONLY

**NSC INTELLIGENCE
DOCUMENT**

Warning Notice
Intelligence Sources and Methods Involved
NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

UNBORN ET AL.

SECRET

BKD, FBI
12-12-86
NS/p7

4957

(Date/Time)

UNCLASSIFIED

National Security Council
The White House

641

System # 10Package # 40099

1948

	SEQUENCE TO	HAS SEEN	DISPOSIT
Bob Pearson			
William Martin	<u>1</u>		
John Poindexter			
Paul Thompson			
Wilma Hall			
Bud McFarlane			
William Martin			
NSC Secretariat <i>Jim</i>	<u>2</u>		<u>D</u>
Situation Room			

I = Information

A = Action

R = Retain

D = Dispatch

N = No further Ac

cc: VP Regan Buchanan Other

COMMENTS

Should be seen by: _____

(Date/Time)

Do not LDX! Dispatch on
Tuesday. DATE TUESDAY

UNCLASSIFIED

MEMORANDUM

UNCLASSIFIED

NATIONAL SECURITY COUNCIL

Chapter 9 FNV 99

SYSTEM IV
NSC/ICS-400993

N 6412

August 30, 1985

EYES ONLY

~~SECRET~~ACTION

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: OLIVER L. NORTH

SUBJECT: Passport

SIGNED

Per our discussion last night, Clair George recommended contacting [REDACTED] for an alias passport and documents for travels to Europe regarding counter-terrorism. The memorandum to State at Tab I confirms that these documents have been received by NSC.

RECOMMENDATION

That you authorize Bill Martin to sign the memo to Platt at Tab I.

Approve UM

Disapprove _____

m RCM

Attachment

Tab I - Martin Memo to Platt

kd
Ken deGraffenreid concurs.

Declassified/Released on 2/9/88
under provisions of E.O. 12958
by 9003, 9004, 9005, 9006, 9007, 9008, 9009, 9010, 9011, 9012, 9013, 9014, 9015, 9016, 9017, 9018, 9019, 9020, 9021, 9022, 9023, 9024, 9025, 9026, 9027, 9028, 9029, 9030, 9031, 9032, 9033, 9034, 9035, 9036, 9037, 9038, 9039, 9040, 9041, 9042, 9043, 9044, 9045, 9046, 9047, 9048, 9049, 9050, 9051, 9052, 9053, 9054, 9055, 9056, 9057, 9058, 9059, 9060, 9061, 9062, 9063, 9064, 9065, 9066, 9067, 9068, 9069, 9070, 9071, 9072, 9073, 9074, 9075, 9076, 9077, 9078, 9079, 9080, 9081, 9082, 9083, 9084, 9085, 9086, 9087, 9088, 9089, 9090, 9091, 9092, 9093, 9094, 9095, 9096, 9097, 9098, 9099, 9100, 9101, 9102, 9103, 9104, 9105, 9106, 9107, 9108, 9109, 9110, 9111, 9112, 9113, 9114, 9115, 9116, 9117, 9118, 9119, 9120, 9121, 9122, 9123, 9124, 9125, 9126, 9127, 9128, 9129, 9130, 9131, 9132, 9133, 9134, 9135, 9136, 9137, 9138, 9139, 9140, 9141, 9142, 9143, 9144, 9145, 9146, 9147, 9148, 9149, 9150, 9151, 9152, 9153, 9154, 9155, 9156, 9157, 9158, 9159, 9160, 9161, 9162, 9163, 9164, 9165, 9166, 9167, 9168, 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 NATIONAL SECURITY COUNCIL
 WASHINGTON, D.C. 20506

SYSTEM IV
 NSC/ICS-40099

N 6

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MEMORANDUM FOR MR. NICHOLAS PLATT
 Executive Secretary
 Department of State

SUBJECT: Passport (U)

Pursuant to conversations on August 29 and 30, between NSC and [REDACTED] the NSC has received a passport and associated documents for William P. Goode. These documents will be returned to the Department State when no longer required. (S)

MEMORANDUM
 OF CALL

Previous editions usable

TO:

ON

William F. Martin
 William F. Martin
 Executive Secretary

☐ YOU WERE CALLED ☐ YOU WERE VISITED BY

OF (Organization)

☐ PLEASE PHONE ☐ ETC ☐ AUTOVON

☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

P21

RECEIVED BY DATE TIME

62-118 NSM 7540-00-636-0018 STANDARD FORM 62 (Rev. 3-61)
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Chapter 9 FN # 112 & 119
UNCLASSIFIED 186-01501120

7 October 1985

86-4068
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National Intelligence Council

MEMORANDUM FOR:

9-112

VIA:

Office of General Counsel
 Central Intelligence Agency

FROM:

Charles E. Allen
 National Intelligence Officer for Counterterrorism
 and Narcotics

1 0644

SUBJECT:

Background on U.S. Initiative to Secure Release of
 American Hostages

1. The following is provided for your background on an extremely sensitive White House initiative to secure the release of the American hostages held by the Iranian-backed Hizballah organization in Lebanon. This initiative has been underway for some months and is being controlled directly by the National Security Council (NSC). I have served the NSC as the focal point for coordinating Intelligence Community collection requirements to support the White House initiative.

2. On 12 September, I was requested by LTC Oliver North, Deputy Director of Political/Military Affairs of the NSC, to begin Intelligence Community [redacted] against certain Iranians who were involved with the White House and who were in contact with the Lebanese Hizballah. Over the next two days I was able to secure sufficient information to identify [redacted] two Iranians who were the key players in the White House initiative. One of the Iranians was [redacted] the other individual was named [redacted] whose first name is unknown. [redacted] on behalf of the Iranian government [redacted]

[redacted] the White House was able to gain critical insights into the attitudes of these Iranians toward the release of the American hostages and the relationship and influence that Iranian officials have over Hizballah personnel who are holding the hostages. The release of Rev. Benjamin Weir was effected by the White House working through intermediaries who were in direct contact with [redacted] who in turn was dealing directly with [redacted] Following the release of Weir, [redacted] indicated, again through intermediaries, to the White House that other American hostages might be released [redacted]

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Copy 1 of 2

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(3751)

Publicly Available/Released on 20 Aug 87
 under provision of E.O. 13526
 by the Dept. of National Security

UNCLASSIFIED

3. On 28 September I was informed by the NSC (LTC North) to again coordinate [redacted] and analysis of the [redacted] connection because the White House had received information that another hostage, probably William Buckley, would be released sometime between 3 and 5 October. This increased collection effort was undertaken [redacted]

[redacted] the announcement by the Islamic Jihad on 3 October that it planned to execute William Buckley created a new dimension in the continuing contacts between [redacted] and [redacted]. The White House through intermediaries indicated to [redacted] that it was important that he come to the US in order to determine whether potential still exists to secure the release of Buckley, assuming that he had not been killed, or of the remaining hostages held by Hizballah. The White House informed me on 5 October that [redacted] would arrive on 7 October on [redacted]

that [redacted] would be staying in the [redacted] Airport and [redacted] hotel in Washington. Also joining [redacted] for these meetings was one [redacted], an Israeli, who has served as one of the intermediaries for the White House in dealing with [redacted]. [redacted] allegedly a former [redacted] reportedly has a financial relationship with [redacted] and has been involved in joint ventures with [redacted] in obtaining munitions for the Government of Iran. [redacted] also will be staying at the [redacted] Hotel. [redacted]

0645

The NSC stated that this was perhaps our last opportunity to utilize this channel to determine whether William Buckley is still alive (we now have strong evidence that he is dead) and whether there are any opportunities remaining to secure the freedom of the other hostages. [redacted]

4. From my perspective and based on the analysis of the intelligence collected thus far [redacted] beyond any question is an agent of the Iranian government [redacted] is an influential member of the Iranian government [redacted]

My knowledge of [redacted] only comes from a White House official who assures me that [redacted] has been an important intermediary in this [redacted]

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initiative and that he too has financial arrangements with [REDACTED]. The meetings that will occur this week here in Washington with [REDACTED] are considered pivotal by the White House as to whether this initiative should be pursued further. The hostages believed to be held by Hizballah are as follows: Father Lawrence Jenco, a Roman Catholic priest; David Jacobsen, director of Beirut's American University Hospital; Thomas Sutherland, Dean of Agriculture at the American University; and Terry Anderson, chief AP correspondent in the Middle East.

Charles E. Allen
Charles E. Allen

1 0646

DECL OADR
CL BY [REDACTED]

3

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7 October 1985

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National Intelligence Council

MEMORANDUM FOR:

9-119+120

VIA:

Office of General Counsel
Central Intelligence Agency

EXHIBIT

15-35

FROM:

Charles E. Allen
National Intelligence Officer for Counterterrorism
and Narcotics

1 0644

SUBJECT:

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American Hostages

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[redacted] the White House was able to gain critical insights into the attitudes of these Iranians toward the release of the American hostages and the relationship and influence that Iranian officials have over Hizballah personnel who are holding the hostages. The release of Rev. Benjamin Weir was effected by the White House working through intermediaries who were in direct contact with [redacted] who in turn was dealing directly with [redacted]. Following the release of Weir, [redacted] indicated, again through intermediaries, to the White House that other American hostages might be released in the future.

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Copy 1 of 2

UNCLASSIFIED

(3751)

Publicly Available/Released on 20 Aug 87
 Excluded from automatic
 downgrading and
 declassification
 by E.O. 11652, National Security Council

UNCLASSIFIED

3. On 28 September I was informed by the NSC (LTC North) to again coordinate [redacted] and analysis of the [redacted] connection because the White House had received information that another hostage, probably William Buckley, would be released sometime between 3 and 5 October. This increased collection effort was undertaken [redacted]

[redacted] The announcement by the Islamic Jihad on 3 October that it planned to execute William Buckley created a new dimension in the continuing contacts between [redacted] and [redacted]. The White House through intermediaries indicated to [redacted] that it was important that he come to the US in order to determine whether potential still exists to secure the release of Buckley, assuming that he had not been killed, or of the remaining hostages held by Hizballah. The White House informed me on 5 October that [redacted] would arrive on 7 October on [redacted]

[redacted] Airport and that [redacted] would be staying in the [redacted] hotel in Washington. Also joining [redacted] for these meetings was one [redacted] an Israeli, who has served as one of the intermediaries for the White House in dealing with [redacted] [redacted] allegedly a former [redacted] reportedly has a financial relationship with [redacted] and has been involved in joint ventures with [redacted] in obtaining munitions for the Government of Iran. [redacted] also will be staying at the [redacted] hotel. [redacted]

0649

The NSC stated that this was perhaps our last opportunity to utilize this channel to determine whether William Buckley is still alive (we now have strong evidence that he is dead) and whether there are any opportunities remaining to secure the freedom of the other hostages. [redacted]

4. From my perspective and based on the analysis of the intelligence collected thus far [redacted] beyond any question is an agent of the Iranian government [redacted] is an influential member of the Iranian government [redacted]

My knowledge of [redacted] only comes from a White House official who assures me that [redacted] has been an important intermediary in this [redacted]

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initiative and that he too has financial arrangements with [REDACTED]. The meetings that will occur this week here in Washington with [REDACTED] are considered pivotal by the White House as to whether this initiative should be pursued further. The hostages believed to be held by Hizballah are as follows: Father Lawrence Jenco, a Roman Catholic priest; David Jacobsen, director of Beirut's American University Hospital; Thomas Sutherland, Dean of Agriculture at the American University; and Terry Anderson, chief AP correspondent in the Middle East.

Charles E. Allen
Charles E. Allen

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DECL OADR
CL BY [REDACTED]

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CHAPTER 10. ARMS TO IRAN: A SHIPMENT OF HAWKS ENDS IN FAILURE

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ROBERT C. MCFARLANE RECORD OF SCHEDULEFriday, November 8, 1985

10-4

7:25 Arrived Office

7:30 ODSM

8:00 DOM (8:28)

8:30 Dave Peterson - PDB (8:45)

8:55 Adm John Poindexter (9:00)

9:07 Treasury Secy James Baker called

9:33 P/Mtg with GOP Congressional Leadership - list attached

10:30 Photo op w/President, Adm Poindexter, Amb Jack Matlock & Don Regan for NEWSWEEK

10:35 P/NSB w/JMP

10:40 Amb Winston Lord & Mrs. Bette Lord (photo op w/President (11:05)

11:07 Amb Winston Lord (11:17)

11:10 Jim Kuhn called on PL (11:16)

11:17 WH North Portico Marine Guards to extend Marine Corps Birthday wishes to RCM (photo op) (11:18)

11:18 Sen Sam Nunn (D-GA) (12:00)

12:08 Jim Kuhn called on PL

12:15 P/Luncheon w/Religious Leaders in Cabinet Room - list attached (1:26)

1:27 Navy Commission Ceremony for Denny Brisley - list attached (1:32)

1:40 P/Mtg w/Secy Shultz & Adm Poindexter IMMEDIATELY FOLLOWED BY:
Photo op w/President, RCM, Secy Shultz & Don Regan in Cabinet Room (2:05)

2:05 Karna Small (2:12)

2:30 Ollie North (2:35)

2:35 David Kimche of the Israeli Government (3:25) (not shown on schedule)

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under provisions of E.O. 12958
by B. [unclear] [unclear]

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4:10 SACG in Sit Room - list attached (5:56)
6:30 Sen Robert Dole (R-Kan) called
7:00 Howard Teicher (7:11)
8:04 To Adm Poindexter's Office (8:06)
8:15 Adm Poindexter - joined by Ollie North (8:25) (8:35)
9:15 Departed for the evening

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Week Ending **17**
November

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10-7

THURSDAY, NOVEMBER 14	319	FRIDAY, NOVEMBER 15	319	SATURDAY, NOVEMBER 16	32
7		7		7	
7:15		7:15		7:15	
7:30	CBSM WWSR	7:30	CBSM WWSR	7:30	
7:45		7:45		7:45	
8	THE REDDEN	8		8	
8:15		8:15		8:15	
8:30		8:30	Breakfast May Adams	8:30	
8:45		8:45	Bill Walker - G. Ayres	8:45	
9	Terrence Scagias	9		9	
9:15		9:15		9:15	
9:30		9:30	Armstrong	9:30	
9:45		9:45	Rep Pol. of Cmte	9:45	
10		10	James J. J. J. J.	10	
10:15		10:15	James J. J. J. J.	10:15	
10:30		10:30	James J. J. J. J.	10:30	
10:45		10:45	James J. J. J. J.	10:45	
11		11		11	
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12		12		12	
12:15	James J. J. J. J.	12:15		12:15	
12:30	James J. J. J. J.	12:30	James J. J. J. J.	12:30	
12:45		12:45		12:45	
1		1		1	
1:15	Harvey - McDonalds	1:15		1:15	
1:30		1:30	James J. J. J. J.	1:30	
1:45		1:45		1:45	
2	James J. J. J. J.	2	James J. J. J. J.	2	
2:15		2:15		2:15	
2:30		2:30	James J. J. J. J.	2:30	
2:45	Arthur C. J. J. J.	2:45	James J. J. J. J.	2:45	
3		3		3	
3:15	James J. J. J. J.	3:15		3:15	
3:30	R. B. K. J. J. J.	3:30		3:30	
3:45		3:45		3:45	
4		4	James J. J. J. J.	4	
4:15		4:15		4:15	
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5	K. J. J. J. J. J.	5		5	
5:15	James J. J. J. J.	5:15		5:15	
5:30	James J. J. J. J.	5:30		5:30	
5:45	James J. J. J. J.	5:45		5:45	
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7		7		7	
7:15		7:15		7:15	
7:30	Partially Declassified	7:30	James J. J. J. J.	7:30	
7:45	Under review	7:45	James J. J. J. J.	7:45	
	by B. J. J. J. J. J.				

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Chapter 10, Footnote 11

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EYES ONLY
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15 November 1985

10-11

MEMORANDUM FOR THE RECORD

SUBJECT: DCI/DDCI Meeting with Assistant to the President
for National Security Affairs, 14 November 1985

1. Admiral Poindexter was also in attendance.

Partially Declassified/Released on 10-16-1987
under provisions of E.O. 12356
by B. Reger, National Security Council

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~~CONFIDENTIAL~~
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7. McFarlane then briefed on Ollie North's visit to London ~~CONFIDENTIAL~~

~~CONFIDENTIAL~~ McFarlane then told us about the Israeli plan to move arms to certain elements of the Iranian military ~~CONFIDENTIAL~~

John N. McMahon
 John N. McMahon

Distribution:

Orig - ER (Complete Copy held in O/DDCI per DDCI's instructions.)

- 1 - DDI
- 1 - DDO
- 1 - EA/DCI
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- 1 - ExSec
- 1 - D/ExSec

Extracts provided EYES ONLY to:

D/ICS - Para 9
 Cn/SECOM - Para 4

**NOT TO BE DISSEMINATED OUTSIDE THIS OFFICE PER DDCI'S INSTRUCTIONS.

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C11N1810

Excluded from automatic downgrading and declassification 32810

Chapter 10, Footnotes 26, 28, 73, 147
154, 156, 161, 163

36522-C6529

30 Nov 8:

MEMORANDUM

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Mission TLV/THR

1. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted] that I would be contacted concerning an urgent flight and that it was in our interest to perform those upcoming flts. At about 20 00 Local time I was contacted by a certain Mr. Richard Copp [redacted]. He asked me whether I had already been informed about a mission, which I denied. He then explained to me that there had to be 3 flights done as quickly as possible "Government to Government" from Tel Aviv [redacted]. After a short discussion we agreed that we could do it with 3 aircraft consecutively for a flat fee of 60 000.00 USD plus fuel, landg, handlg had to be paid by him. Further it was agreed that second Boeing would be made available on request should the matter get urgent. During my subsequent conversation to our [redacted] I referred to my MEMO 211185 para 1 and questioned the way it was displayed to me and supposed that this cargo was the same as in my memo indicated. This was [redacted].

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted]. The aircraft was taken over by [redacted] and [redacted] departed [redacted]. Capt [redacted] had the order that upon the receipt of the code "Celia" he would find an excuse for the customer and depart [redacted] Aviv, filing [redacted] officially for [redacted] Traffic rights for [redacted] flight [redacted] were tentatively applied for by [redacted] should this become necessary.

Our second Boeing was parked in [redacted] and [redacted] part before the airport opened the next morning. At the time I had made the agreement with [redacted] about 0100 GMT. The crew [redacted] which was supposed to [redacted] the next day [redacted] was there. One alert [redacted] concerning the early departure of this aircraft [redacted] Tel Aviv. After the airport had opened the fuel company was available for fuelling this aircraft [redacted]. At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the [redacted].

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Partially Declassified/Released on 4/24/1997
Under provisions of E.O. 12855
By B. Reeger, National Security Council

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hangar. [REDACTED] Due to the shortage of time we decided to let the aircraft fly [REDACTED] to pick up the pallets instead of transporting them [REDACTED] via ground transport.

[REDACTED] the pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying time.

In the meantime Capt [REDACTED] together with [REDACTED] and an *Copilot* additional loadmaster [REDACTED] had arrived from Paris via train and were also on board when the aircraft departed finally at about [REDACTED] It arrived [REDACTED] (23 Nov)

Due to this departure [REDACTED] my, Copp had requested from me to also put the second aircraft into this operation due to the utmost urgency of the mission. *IT WAS* Therefore the code word [REDACTED] transmitted [REDACTED] and after unloading [REDACTED] fuelled and departed to TL [REDACTED] The overflight rights had been granted in the meantime [REDACTED] landed at [REDACTED] on the 23 Nov in TLV.

PHASE III - Loading

Although Richard Copp [REDACTED] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours. [REDACTED] which had first arrived, had loaded one piece out of 19 pieces in 4 hours. Therefore [REDACTED] time all concerned parties were concerned that the [REDACTED] would take as long as possibly 24 hours. Therefore and [REDACTED] obviously traffic rights had not been granted. [REDACTED] I was told that now the load had to be transported [REDACTED] I was told confirmed my initial suspicions and it was obvious to me that several things had to be changed. (Copp [REDACTED] hours before that the traffic rights [REDACTED] issued and the [REDACTED] was informed [REDACTED] my crew told me that in TLV everyone knew that they had already been turned down and that the real destination was [REDACTED])

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I was given the contact of Mr. A. Schwimmer in TLV by Mr. Copp and the 707
 talked to Schwimmer several times on the phone.
 I told him that we could not fly to THR with an American registered
 aircraft and that we therefore had to unload [redacted] again.
 He tried several times to convince me and even
 offered to paint a different registration on the aircraft and
 do some kind of formation flying into THR. Keeping in mind that
 all phone conversations to Israel might be listened to, I told
 him that we were a normal Airline wanted to go in business
 and the time to come and that the only way to do it was the correct
 way for us to do it. Therefore [redacted] was unloaded again. the 707
 In addition to that I explained to him that we needed traffic rights
 to overfly [redacted] which we had applied for tentatively the moment
 the real nest had come out, but only for [redacted]
 And also we estimated that it would take time to get those rights.
 For us to do it. Therefore [redacted] was unloaded again. the 707
 In addition I had conferred with [redacted] and was told that
 those traffic rights would be supported diplomatically and that
 we could count on them. the Captain
 I was in touch with [redacted] all the time and verified all
 the [redacted] them. In fact [redacted] was in Schwimmers
 home and we negotiated there that we needed 30 000 USD in
 order to go to the destination because we had not planned
 on it and therefore had not enough cash with us. Also we did
 not trust them that everything was paid in THR. Schwimmer came
 up with 8000 USD and lengthy discussions because it was Sunday
 in the meantime [redacted] could not get more money.

PHASE IV - Flight [redacted] performed

According to the new agreement between Schwimmer and us the 707
 had been unloaded again and departed [redacted]
 on Sunday the 24 Nov.
 [redacted] did this flight and took all extra crew back except
 for the second loadmaster because it had become obvious to us
 that the TLV/THR route could be flown by one crew due to the
 lengthy loading and unloading process.
 In the meantime Schwimmer confirmed that [redacted] rights for
 overflight [redacted] had been confirmed [redacted] we could go
 with [redacted] as soon as it was loaded.
 However, the last morning they decided to [redacted] our agreement
 that the aircraft should [redacted] being going on to THR.
 This required additional funds by us [redacted] had to be
 defunct in TLV because it would have [redacted] for landing
 [redacted] and had to refuse this mission.
 [redacted] the money but [redacted] after long discussions
 Schwimmer had applied another 2000 USD which gave [redacted] the 707
 about 1000 USD together with the cash he had in his ships funds.

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Finally we gave the green light for ^{the captain} [redacted] to take off and he left TLV with [redacted] on the 24 Nov. Since arrival it had taken him exactly 24 hours for loading and clearing all the problems.

After arrival [redacted] ^{the captain} had new problems as the customer and especially the military in TLV had not only not given him any documents for the load but also had taken out every evidence which might have proved that the aircraft was in TLV. Customs [redacted] therefore did not want to release the aircraft unless documents were produced and therefore the load also had to be inspected. Finally [redacted] wrote a cargo manifest ^{the captain} which was accepted although it had no stamp of the signature point and finally he could talk his way out of this situation. Finally he therefore left at [redacted] direction as planned.

However, nothing was prepared for overflight [redacted] and he had again to talk his way through. Since they repeatedly insisted on a diplomatic clearance number, he made one up which was not accepted after long negotiations and then he filibustered one hour and 30 min his way [redacted], using different altitudes, positions and estimates that he told [redacted] with whom [redacted] obviously in radio contact.

However, radar really [redacted] his off-positions which gave additional reasons for arguments and delays. At the THR border he received without any problems but he did not have to say the code "I am coming for Mustafa" because Radar treated him very normally. Finally he landed [redacted] on the 25 Nov (Monday).

PHASE V - Unloading

After landing in THR the aircraft had to remain on the runway for about 10 min until a "follow me" came and directed them to the parking area which was on the military side. The landing had been done on runway 29 r and the aircraft was directed to the south of this runway onto the north/west part of the southern military apron.

[redacted] It is a special area which is surrounded by a high fence to the outside so that people outside the [redacted] cannot see the aircraft.

[redacted] ^{the captain} was first contacted by an officer [redacted] who directed the unloading later and who told him that they did not know about this flight and were surprised that it [redacted] 30 min after arrival a civilian with a [redacted] on his back arrived at the aircraft and asked [redacted] first: "What are the nationalities of the crew and the cargo, where do you come from?" Then he talked to [redacted] ^{the captain} telling him that he should not

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Date 20 April 87

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to tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] was asking for money or arrangements of fuel, parking etc. he told him not to worry and that everything would be taken care of.

2 Supervisor then started to direct the unloading of one military and one civilian with submachine gun. The crew was sent to the officers' Mess where they were again by the civilian to keep their mouth shut about this and not talk to anyone about their mission. Capt. [redacted] then told him that our crew did not want to pass through passport and customs control.

As they expected a quick unloading and then had to leave again. Therefore the civilian took them in a car through back roads off the airport and was not checked or stopped at the gate although even military had to produce their id - cards at that gate. The trip to the Hotel took one hour and finally they arrived at the former Sheraton Hotel. (Different name now, could not remember)

All rooms were occupied and therefore they had to take a suite together. After being in the hotel for about 2 hours to the surprise of the crew they got a phone call that the aircraft was unloaded and that they would be picked up in a few minutes. This was 6 hours after the aircraft had landed. [redacted] had remained at the airport for some time to see that the unloading really took place and that it was done properly. Then the time in the office [redacted] and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] required a permit number for overflight [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to obtain this number. After about 2 hours of trying [redacted] told them that the flight was ok but they could not get a number. Also [redacted] told that the Air Defense of Iran was informed and that [redacted] leave now which he finally accepted.

When the crew was taken over to the aircraft [redacted] realized that the aircraft had been towed to the civilian side. In the meantime and that it was being fuelled by civilian [redacted] When [redacted] asked for full tanks (order [redacted] him because after all those problems which I was [redacted] had called [redacted] via Telephone from the [redacted] I wanted the possibility to take the aircraft directly back [redacted] if necessary) the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

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20 Apr 87

The Captain

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PHASE VI - Return flight

The aircraft took off at [redacted] on the 25 Nov. after 14:35 hours on the ground in THR.

The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.

Al [redacted] was given a special exit time which he had to meet in order to comply with the Iranian Air Defense.

Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350. (reason unknown).

No transponder was used in the Iranian airspace. After arrival [redacted] was told by radar that this time he was accepted but that in future for further flights, the ok of the civilair was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.

Based on all this information, I ordered [redacted] via radio to proceed directly [redacted] which we had planned initially [redacted]

The aircraft arrived [redacted] 26 Nov.

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] that for about a week with [redacted] to THR.
2. Copp was sitting in [redacted] although [redacted] was finally not flown to [redacted] and he as our contract partner could not [redacted] what was going on in TLV. C 2/43
3. In TLV the aircraft was on the military [redacted] loaded by high ranking military personnel who were not [redacted] to this type of work. (The lowest ranking [redacted] Lieutenant) In addition they did not work much [redacted] many coffe brakes. 26220
4. A certain Mr. A. Schwimmer which was [redacted] by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He seriously proposed to the Captain [redacted] to change the registration of the

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20 April 82 -
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Page 7 of MEMO 301185

aircraft and to forge the respective papers " in 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.

Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. The routing changes, destination changes, involved traffic rights were done too late and the crew grew more and more insecure as they are not used to this type of makeshift Airline direction and control.
6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a very complex business which requires a lot of experience from all concerned and also because the feed back information is so vital for the operation, the directly involved employees have to be part of the decision making and planning as early as during the contracting stage.

Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the acquisition of the necessary traffic rights.

The little radar controller does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all those things have to be presented in a normal way so that the controller simply has a dip in clearance number like he has for every other aircraft. This flight will look totally normal for him.

In other words: Those flights can be performed without any problem by only with the proper planning.

In order to have proper planning, the manager of the airline, who happens to be myself, should be heard before concluding or making commitments to third parties and be part of the planning process.

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I therefore suggest that during the preparation process I should be invited to the meeting of the departments which are involved in the decision making.

It is true that there is the aspect of security and that the missions have to be done in a clandestine way. However, it cannot be worse than it was during this last mission and it could have been performed totally clandestine, had the above proposed meeting taken place in advance.

In addition to that, my presence during those meetings could provide the concerned officers who represent the different departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas others can be accepted right away without checking details.

In addition to that, single missions or tasks to be performed should be part of a strategy which I am sure exists, but which I am not aware of in detail. Knowing the all-over strategy it would be easier to plan certain missions and it would even be easier to plan the budget which defines whether new airplanes have to be purchased/leased or others have to be sold.

In short: I would like to state if I could be given more responsibility by being more part of the team as far as the planning of the aviation aspects are concerned. I think it is a waste of experience and information when this is not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is also the success of this country.

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Chapter 10 10-45 15

MEMORANDUM FOR THE RECORD

SUBJECT: Manuchehr Ghorbanifar Polygraph Examination

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On the afternoon/evening of 11 January 1986, Ghorbanifar underwent a polygraph examination. He showed deception on virtually all of the relevant questions. He has lied/fabricated his information on terrorist activities and has tried to mislead us concerning his relationship with [redacted] and leader of the [redacted] line inside Iran. He also has distorted the leadership role of [redacted]. Ghorbanifar also showed deception to the question whether he is under the control of any official Iranian organization.

Moreover, Ghorbanifar was tested on his involvement in the deal to release the hostages. The test indicated that he knew ahead of time that the hostages would not be released and deliberately tried to deceive us both independently and with [redacted].

Ghorbanifar provided new information concerning an alleged terrorist plan to attack U. S. interests [redacted]. He was also tested on this information and was shown to be lying.

It seemed clear from Ghorbanifar's behavior that he realized that the polygraph test indicated deception. While he commented during the test that he was comfortable with all of the test questions, he said that perhaps the machine might indicate some problems on a series of questions concerning [redacted] and the rightists inside Iran. He said he had been told by "White House representatives" not to discuss this topic with CIA because the operation was "too far advanced" and if CIA were involved "it would require Congressional briefings." He went on to add that he has supposedly expended \$800,000 of his own funds for this purpose and has been assured by these "White House representatives" that he will be reimbursed for these expenditures. (Comment: The polygraph operator stated that Ghorbanifar's explanation/rationalization would not influence the test results on the questions being asked in connection with [redacted] and his supporters).

In discussing the hostage deal, Ghorbanifar stated he was very comfortable with the questions asked. During one of the breaks in the testing, he commented that the Israelis received the \$24 million as soon as the shipment was delivered and they [redacted].

WARNING NOTICE
INTELLIGENCE SOURCES
AND METHODS INVOLVED

Partially Declassified
Under provisions of E.O. 12958
by [redacted]

CL BY [redacted]
DECL [redacted]
DERIVED FROM [redacted]

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Date 16 Apr 87

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are holding all of the funds that the Iranians are requesting be returned. He added that the Israelis told him that they had "doubled" the cost of the shipment apparently because the Americans were involved. He said the Iranians were very upset about the last shipment and might resort to terrorist activities against U. S. interests. He remarked the Iranians have been refraining from these terrorist activities since the negotiations began.

Ghorbanifar is clearly a fabricator and wheeler-dealer who has undertaken activities prejudicial to U. S. interests.

Neither Ghorbanifar nor Ledeen have been advised about the results of the test. Michael Ledeen asked that he be informed about the results of the test as soon as possible. He was called on the morning of 12 January and told that the polygraph operator will be reviewing the results on Sunday and we should have feedback about the test on 13 January.



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Chapter 10, F 10-67 -
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REPUBLICA DE PANAMA

PROVINCIA DE PANAMA

NOTARIA CUARTA DEL CIRCUITO

Lic. EFEBE DIAZ HERRERA

NOTARIO

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IMAGEN 0063

Teléfonos: { 25-4837
 25-4828

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 Zona 5, R. de P

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 by P. [illegible]

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4203	INQUIRY	FROM DT UT 86	10 04 12 86	86 12 10 1984	
A/C	NAME & DESCRIPTION	DOC NO	CONTRA	DEBIT	CREDIT
9000001	LAKE RES - CREDIT SUISSE				
12 11	CHQ R. GUINTERO	600401		902.05	
12 11	BANK CHARGES	600401		3.27	
12 11	CASH WITHDRAWAL	600501		7.00	00
12 11	AGIO	600401		35.00	
12 11	PRT INV. CSF	600101		1,400.23	
14 11	TR TO CIE DE SERV FID RH	600201		43.030.00	
14 11	BANK CHARGES	600401		7.01	
14 11	TR TO SCITECH	600501		67.340.00	
15 11	TR TO CIE DE SERV FID RH	600201		7.01	
15 11	BANK CHARGES	600401		20.000.00	
15 11	TR TO D. PONCE	6002501		7.01	
15 11	BANK CHARGES	600401		5.000.00	
15 11	TR TO [REDACTED]	600501		1.87	
15 11	CASH WITHDRAWAL	600401		15.000.00	
15 11	TR TO [REDACTED]	600201		25.000.00	
15 11	TR TO DENIS PONCE	600501		15.000.00	
15 11	BANK CHARGES	600401		5.000.00	
18 11	TRANSFER TO CSF INV LTD	900501		30.37	
18 11	OFF CALL	900501		80.000.00	
18 11	INTEREST	900501			
18 11	BANK CHARGES	600401		1.01	
18 11	BANK CHARGES	600401		7.01	
18 11	TR FROM IC INC	600501		450.630.00	
20 11	TRANSFER	700001		7.500.00	
21 11	PRT INV. CIE DE SERV FID	900501		870.000.00	
22 11	TRANSFER TO CSF INV LTD	900501		100.000.00	
22 11	BANK CHARGES	600401		1.152.01	
22 11	CASH WITHDRAWAL	600401		21.470.00	
23 11	CHQ R. GUINTERO	600501		2.000.00	
23 11	CHQ R. PHILLIPS	600201			
25 11	FUNDS RECEIVED LESS BK CHARGES	600501		37.036.39	

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Chapter 2, Footnotes 20 22 23 47
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MEMORANDUM

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Re: Mission TLV/THR

1. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted] that I would be contacted concerning an urgent flight and that it was in our interest to perform those upcoming flts. At about 20 00 Local time I was contacted by a certain Mr. Richard Copp [redacted]

He asked me whether I had already been informed about a mission, which I denied. He then explained to me that there had to be 3 flights done as quickly as possible "Government to Government" from Tel Aviv [redacted]. After a short discussion we agreed that we could do it with 1 aircraft consecutively for a flat fee of 60 000.00 USD plus fuel, land, handling had to be paid by him. Further it was agreed that second Boeing would be made available on request should the latter get urgent. During my subsequent conversation to our [redacted] I referred to my MEMO 211185 page 1 and questioned the way it was displayed to me and supposed that this cargo was the same as in my memo indicated. This was denied.

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted] aircraft was taken over by [redacted] and [redacted] departed [redacted] had the order that upon the receipt of the code "Celia" he would find an excuse for the customer and depart [redacted] Tel Aviv, filing officially for [redacted] Traffic rights for [redacted] flight [redacted] were tentatively applied for by [redacted] should this become necessary.

Our second Boeing was parked in [redacted] and [redacted] not far before the airport opened the next morning. At the time I had made the agreement with [redacted] about 0100 GM. The crew [redacted] which was supposed to [redacted] the next day [redacted] was the [redacted] alert concerning the early departure of this aircraft to Tel Aviv. At [redacted] the airport had opened the fuel company was available for fuelling this aircraft [redacted] At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the [redacted]

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hangar. [REDACTED] Due to the shortage of time we decided to let the aircraft fly [REDACTED] to pick up the pallets instead of transporting them [REDACTED] via ground transport.

[REDACTED] the pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying time.

In the meantime Capt [REDACTED] together with [REDACTED] and an [REDACTED] additional loadmaster [REDACTED] had arrived from Paris via train and were also on board when the aircraft departed finally at about [REDACTED] It arrived in TLV [REDACTED] (23 Nov)

Due to this departure [REDACTED] Copp had requested from me to also put the second aircraft into this operation due to the utmost urgency of the mission. [REDACTED] IT LMS [REDACTED] Therefore the code [REDACTED] was transmitted [REDACTED] and after unloading [REDACTED] fuelled and departed to TLV [REDACTED] The overflight rights had been granted in the meantime [REDACTED] landed at [REDACTED] on the 23 Nov in TLV [REDACTED]

PHASE III - Loading

Although Richard Copp [REDACTED] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours. [REDACTED] which had first arrived, had loaded one piece out of 19 pieces in 4 hours. Therefore [REDACTED] time all concerned parties were concerned that the [REDACTED] would take as long as possibly 24 hours. Therefore and [REDACTED] obviously traffic rights had not been granted [REDACTED] I was told that now the load had to be transported [REDACTED] This confirmed my initial suspicions and it was obvious [REDACTED] that several things had to be changed. (Copp [REDACTED] hours before that the traffic rights [REDACTED] was informed at [REDACTED] are my crew told me that in TLV everyone knew that they had already been turned down and that the real deal was [REDACTED])

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I was given the contact of Mr. A. Schwimmer in TLV by Mr. Copp and ^{the 707} talked to Schwimmer several times on the phone. I told him that we could not fly to THR with an American registered aircraft and that we therefore had to unload ^{again} ~~the aircraft~~. He tried several times to convince me and even offered to paint a different registration on the aircraft and do some kind of formation flying into THR. Keeping in mind that all phone conversations to Israel might be listened to, I told him that we were a normal Airline, wanted to stay in business, the time to come and that the only way to do it was the correct way for us to do it. Therefore ^{the 707} ~~the aircraft~~ was unloaded again. In addition to that I explained to him that we needed traffic rights to overfly ~~the aircraft~~ which we had applied for tentatively the moment the real nest had come out, but only for ~~the aircraft~~. And also we estimated that it would take time to get those rights. In addition I had conferred with ~~the aircraft~~ and was told that those traffic rights would be supported diplomatically and that we could count on them. I was in touch with ~~the aircraft~~ all the time and verified all ^{the captain} ~~the aircraft~~ them. In fact ~~the aircraft~~ was in Schwimmers home and we negotiated there that we needed 30 000 USD in order to go to the ~~the aircraft~~ destination because we had not planned on it and therefore had not enough cash with us. Also we did not trust them that everything was paid in THR. Schwimmer came up with 8000 USD after lengthy discussions because it was Sunday in the meantime ~~the aircraft~~ could not get more money.

PHASE IV - Flights performed

^{the 707} According to the new agreement between Schwimmer and ~~the aircraft~~ had been unloaded again and departed ~~the aircraft~~ on Sunday the 24 Nov. ^{the 707} ~~the aircraft~~ did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THR route could be flown by one crew due to the lengthy loading and unloading procedure. In the meantime Schwimmer confirmed that ~~the aircraft~~ rights for overflight ~~the aircraft~~ had been confirmed with ~~the aircraft~~ as soon as it was loaded. However, the last money they decided on ~~the aircraft~~ our agreement that the aircraft should land ~~the aircraft~~ before going on to THR. This required additional funds by us ~~the aircraft~~ had to be fulfilled in TLV because it would have ~~the aircraft~~ for landing ~~the aircraft~~ and had to return this money but ~~the aircraft~~ after long discussions Schwimmer ~~the aircraft~~ applied another 2000 USD which gave ~~the aircraft~~ about ~~the aircraft~~ together with the cash he had in his ships funds. ^{the 707}

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Finally we gave the green light for ^{the captain} to take off and he left TLV with [redacted] on the 24 Nov. Since arrival it had taken him exactly 24 hours for loading and clearing all the problems.

After arrival [redacted] ^{the captain} had new problems as the customer and especially the military in TLV had not only not given him any documents for the load but also had taken out every evidence which might have proved that the aircraft was in TLV. Customs [redacted] therefore did not want to release the aircraft unless documents were produced and therefore the load also had to be inspected. Finally [redacted] ^{the capt} wrote a cargo manifest which was accepted although it had no stamp of the signature point and finally he could talk his way out of this situation. Finally he therefore left at [redacted] direction as planned.

However, nothing was prepared for overflight [redacted] and he had again to talk his way through. Since they repeatedly insisted on a diplomatic clearance number, he made one up which was not accepted after long negotiations and then he filibustered one hour and 30 min in his way [redacted] using different altitudes, positions and estimates that he told [redacted] with whom [redacted] obviously in radio contact [redacted]

However, radar realized his off-positions which gave additional reasons for arguments and delays.

At the THN border he was received without any problems but he did not have to say the code "I am coming for Mustafa" because Radar treated him very normally.

Finally he landed [redacted] on the 25 Nov (Monday)

PHASE V - Unloading

After landing in THN the aircraft had to remain on the runway for about 10 min until a "follow me" came and directed them to the parking area which was on the military side. The landing had been done on runway 29 r and the aircraft was directed to the south of this runway onto the north/west part of the southern military apron. [redacted]

[redacted] It is a special area which is surrounded by a high fence to the outside so that people outside the [redacted] cannot see the aircraft.

[redacted] ^{the captain} was first contacted by an officer [redacted] who directed the unloading later and who told him that they did not know about this flight and were surprised that it had come in. 30 min after arrival a civilian with a [redacted] on his back arrived at the aircraft and asked [redacted] first: "What are the nationalities of the crew and the cargo, where do you come from?" Then he talked to [redacted] ^{the captain} telling him that he should not

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tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] was asking for money or arrangements of fuel, parking etc. he told him to worry and that everything would be taken care of.

2 Supervisor then started to direct the unloading, one military and one civilian with submachine gun. [redacted] was sent to the officers [redacted] where they were again by the civilian to keep their mouth shut about this and not talk to anyone about their mission.

Capt [redacted] then told him that our crew did not want to pass through passport and customs control.

As they expected [redacted] to go when [redacted] to leave again. Therefore the civilian took them in a car through back route off the airport and was not checked or stopped at the gate although even military had to present their id - cards at that gate. The trip to the Hotel took one hour and finally they arrived at the former Sheraton Hotel. (Different name now, could not remember)

All rooms were occupied and therefore they had to take a suite together. After being in the hotel for about 2 hours to the surprise of the crew they got a phone call that the aircraft was unloaded and that they would be picked up in a few minutes. This was 6 hours after the aircraft had landed. [redacted] had remained at the airport for some time to see that the unloading really took place and that it was done correctly. Then the time in the office [redacted] and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] required a permit number for overflight. [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to obtain this number. After about 2 hours of trying [redacted] told them that the flight was ok but they could not get a number. Also [redacted] told that the Air Defense of Iran was informed and that [redacted] leave now which he finally accepted.

When the crew was taken over to the aircraft [redacted] realized that the aircraft had been towed to the civilian side. In the meantime and that it was being fuelled by civilian [redacted] When [redacted] asked for full tanks (or [redacted] in because after all those problems which I was [redacted] had called [redacted] via Telephone from the [redacted] I wanted the possibility to take the aircraft directly back [redacted] if necessary) the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

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the captain

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PHASE VI - Return flight

The aircraft took off at [redacted] on the 25 Nov, after 14:35 hours on the ground in THR.

The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.

A [redacted] was given a special exit time which he had to meet in order to comply with the Iranian Air Defense.

Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350. (reason unknown).

No transponder was used in the Iranian airspace.

After arrival [redacted] was told by radar that this time he was accepted but that in future for further flights, the ok of the civilair was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.

Based on all this information, I ordered [redacted] via radio to proceed directly [redacted] which we had planned initially.

The aircraft arrived [redacted] 26 Nov.

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] was in THR for about a week with [redacted] to THR.
2. Copp was sitting in [redacted] although [redacted] was clearly not flown to [redacted] and he as our contract partner could not [redacted] what was going on in TLV. 2/43
3. In TLV the aircraft was on the military [redacted] loaded by high ranking military personnel who were not accustomed to this type of work. (The lowest ranking [redacted] Lieutenant) In addition they did not work much as [redacted] many coffee breaks. 26220
4. A certain Mr. A. Schwimmer which was introduced to us by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He seriously proposed to the Captain [redacted] to change the registration of the

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aircraft and to forge the respective papers " in 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.

Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. The routing changes, destination changes, involved traffic rights were done too late and the crew grew more and more insecure as they are not used to this type of makeshift Airline direction and control.

6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a very complex business which requires a lot of experience from all concerned and also because the feed back information is so vital for the operation, the directly involved employees have to be part of the decision making and planning as early as during the contracting stage.

Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the acquisition of the necessary traffic rights.

The little radar controller does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all these things have to be presented in a normal way so that the controller simply has a dip in clearance number like he has for every other aircraft. This flight will look totally normal for him.

In other words: These flights can be performed without any problem by only with the proper planning.

In order to have proper planning, the manager of the airline, who happens to be myself, should be heard before making or making commitments to third parties and be part of the planning process.

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Therefore suggest that during the preparation process I should be involved in the meeting of the departments which are involved in decision making.

It is that there is the aspect of security and that the operations have to be done in a clandestine way. However, it cannot be worse than it was during this last mission and it could have been performed totally clandestine, had the above proposed meeting taken place in advance.

In addition to that, my presence during these meetings could provide the concerned officers who represent the different departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas others can be accepted right away without checking details.

In addition to that, single missions or tasks to be performed should be part of a strategy which I am sure exists, but which I am not aware of in detail. Knowing the all-over strategy it would be easier to determine certain missions and it would even be easier to plan the budget which defines whether new airplanes have to be purchased/leased or others have to be sold.

In short: I would appreciate if I could be given more responsibility by being more part of the team as far as the planning of the aviation aspects are concerned. I think it is a waste of experience and information when this is not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is also the success of this country.

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Chapter 10. Footnote 73

PAID TO _____

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RECEIVED FROM B/O LAKE RESOURCESDATE 29 NOV. 85PURPOSE THE FLIGHT

23-25 Nov. 85

ACCOUNT NUMBER

ACCOUNT NUMBER

DEBIT

CREDIT

Chase Bank \$.

\$ 10110 ✓

126,809.50 ✓

Bank Charges

\$ 70790 ✓

190.50 ✓

Master Revenue Freight 707

\$ 30301 ✓

127,000.- /

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RECEIVED FROM LAKE RESOURCES

DATE 30 DEC 85

PURPOSE THR - FLIGHT

ACCOUNT TITLE

ACCOUNT NUMBER

DEBIT

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Chase Bank \$

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700.-

Chaser Revenue Freight

\$ 3830 (G-3)

700.-

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SECRET 26 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

SUBJECT: -DCM-MEETING WITH FOREIGN MINISTRY
FROM DCM

1. DCM [REDACTED] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES [REDACTED] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [REDACTED] SAID ESSENTIAL POINT WAS THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH [REDACTED] U.S. POLICY AND [REDACTED] POLICY THAT THE GOVERNMENT NEEDED THE WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIAN REASONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. [REDACTED] SAID HE WANTED TO EMPHASIZE THAT WITH THESE ASSURANCES [REDACTED] HAD BEEN PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO [REDACTED]

3. THE DCM SAID THAT WHILE THE DESIRE [REDACTED] FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE, [REDACTED] SHOULD UNDERSTAND THAT THE ACTIONS OF [REDACTED] ON NOVEMBER 22 AND 23 GAVE THE IMPRESSION TO SOME THAT [REDACTED] WAS SERIOUS, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [REDACTED] DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [REDACTED] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

5. DCM THEN NOTED THAT AMBASSADOR [REDACTED] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26. [REDACTED] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PA'S AGREEMENT.

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NO COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPORTUNITY TO GET IT.

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF THERE IS AN INTEREST IN REVIVING [REDACTED] COOPERATION AND IF SO ON [REDACTED]

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESENTED COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERICA AND IN REFERENCE TO THE EMBASSY'S NOTES [REDACTED] OF NOVEMBER [REDACTED] AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES."

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AT 7:00 PM, THE CHARGE OF THE USA WAS RECEIVED BY [REDACTED]
THE FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE

FROM DCA
THE AGREED NOTE.

TOTALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT SURPRISE OF THE MINISTER OF FOREIGN AFFAIRS, WHO IMMEDIATELY RECEIVED THE CHARGE, A NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED EXPRESSING REGRET THAT THE GOVERNMENT [REDACTED] WAS UNABLE TO FULFILL THE REQUEST OF THE GOVERNMENT OF THE UNITED STATES FOR THE HUMANITARIAN MISSION REFERRED TO IN EMBASSY NOTE NO [REDACTED] WAS PRESENTED RIGHT IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE MENTIONING THE REASONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS [REDACTED] THE OPPORTUNITY TO RENEW TO THE EMBASSY OF THE USA THE ASSURANCE OF ITS HIGHEST CONSIDERATION."

10. NO FILE. DECL OADR DRV HUM [REDACTED] ALL SECRET
END OF MESSAGE

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Chapter 10
Footnote B2

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TEXT OF TELEGRAM 8-

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PAGE 01
ACTION SS-25

INFO LOG-00 COPY-01 ADS-00 SSO-00 /026 W /221416Z /46

R 22 NOV 85
FM AMEMBASSY
TO SECSTATE WASHDC 9179

SECRET
EXDIS

E.O. 12356: DECL QADR

SUBJECT - ALLEGED ISRAELI TRANSHIPMENT OF ARMS
TO IRAN

1. SECRET - ENTIRE TEXT.

2. DURING DISCUSSION WITH A/DCM NOVEMBER 21 MFA
[REDACTED] RAISED A QUESTION AS TO THE
[REDACTED] SALES TO IRAN. [REDACTED] SAID THAT
[REDACTED] RECEIVED A CALL NOVEMBER 20
FROM A MANAGER OF THE [REDACTED] FIRM. THE
MANAGER STATED THAT HE HOPED FOREIGN MINISTRY
AUTHORIZATION WOULD BE GIVEN FOR TWO AIRCRAFT TO
TRANSHIP [REDACTED] THEY WOULD BE CARRYING ARMS
PROVIDED BY ISRAEL FOR IRAN. [REDACTED] SAID THAT THE
OFFICIAL (APPARENTLY ACTING AS BROKER FOR THE
ARMS DEAL) REFERRED TO AN "AMERICAN GENERAL" INVOLVED
IN THE UNDERTAKING AND TO CLOSE RELATIONS OF [REDACTED]
WITH THE U.S. [REDACTED] WONDERED IF THE EMBASSY HAD
INFORMATION ABOUT THIS STRANGE CASE PERHAPS INVOLVING
A RETIRED U.S. GENERAL.

3. A/DCM REPLIED THAT THE POTENTIAL SHIPMENT WAS
CERTAINLY NEWS. NOR WERE WE AWARE OF ANY AMERICAN
SECRET
SECRET

PAGE 02

CONNECTION. A/DCM REITERATED STRONG U.S. OPPOSITION
TO ARMS SALES TO IRAN AND RECALLED THE MANY DIS-
CUSSIONS WITH [REDACTED] INCLUDING AMBASSADOR
[REDACTED] EMBLETT'S BRILLIANT OF FORMER
LAST SPRING [REDACTED] STATED THAT
POSITION HAD BEEN CLEAR AS WELL - LIMITED SALES OF
MATERIAL FROM BUT [REDACTED] WOULD DENY OTHER ITEMS
OR TRANSHIPMENT OF WAR MATERIAL FOR IRAN. REGARDING

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THE CASE IN QUESTION. [REDACTED] SAID THAT NO OFFICIAL REQUEST FOR AUTHORIZATION HAD BEEN MADE TO THE MFA. IT THERE IS A REQUEST IT WILL BE REJECTED. ALTHOUGH [REDACTED] ACKNOWLEDGED THAT SOME TRANSMISSIONS MAY HAVE TAKEN PLACE WITHOUT FOREIGN MINISTRY KNOWLEDGE. ITS AUTHORIZATION IS NECESSARY FOR LEGAL TRANSMISSION. [REDACTED] IN THIS PARTICULAR CASE IT WILL NOT BE GIVEN. AND IN [REDACTED] VIEW, THE PROPOSED TRANSMISSION WILL NOT OCCUR.

—SECRET

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ACTION

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CITE

TO: INMARSAT

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

SUBJECT: NSC MISSION

FROM CHARGE

1. AT 2015 HOURS LOCAL TIME, CHARGE MET WITH FOREIGN MINISTER [REDACTED] AND HANDED OVER NOTE INCORPORATING LANGUAGE EXPRESSING REGRET [REDACTED] REACTION WAS MIXTURE OF PUZZLEMENT AND INDIGNATION. HE SAID [REDACTED] WAS INACCURATE BECAUSE [REDACTED] WAS PREPARED TO RESPOND ACTIVELY AT THE MOMENT. ALL IT HAD ASKED FOR WAS A DOCUMENT SUPPORTING THE INFORMATION MR. MCFARLANE HAD GIVEN [REDACTED] DURING THEIR TELEPHONE CONVERSATION NIGHT OF NOVEMBER 22. HE HAD TOLD MR. MCFARLANE HE NEEDED SUCH A NOTE AND [REDACTED] HAD AGREED.

2. [REDACTED] SAID THE FIRST NOTE [REDACTED] CONTAIN ALL THE NECESSARY INFORMATION. [REDACTED]

[REDACTED] IT NEEDED A [REDACTED] THE FACT THAT IT WAS DESIGNED TO RELEASE AMERICANS BE [REDACTED]

3. CHARGE MADE STRONG APPEAL [REDACTED] RECONSIDER NEED FOR A WRITTEN STATEMENT OF PURPOSES AND POINTED OUT BOTH POLITICAL SENSITIVITY AND IMPORTANCE OF SUCH AN OPERATION TO THE PRESIDENT [REDACTED] SAID HE UNDERSTOOD. [REDACTED] WANTED TO COOPERATE BUT IT HAD TO PROTECT ITSELF POLITICALLY. [REDACTED] NEVERTHELESS SAID [REDACTED] WOULD TAKE ANOTHER LOOK AT SITUATION AND WOULD GET IN TOUCH WITH CHARGE IF ITS POSITION CHANGED. ANY EVENT HE SAID [REDACTED] WOULD RESPOND TO THE NOTE AND TAKE ISSUE WITH THE IMPLICATION OF THE NOTE THAT [REDACTED] WAS NOT TRYING TO BE HELPFUL.

4. [REDACTED] THEN SPENT ABOUT FIVE MINUTES EXPRESSING HIS UNHAPPINESS WITH THE "DISASTROUS" WAY THIS OPERATION WAS HANDLED. HE SAID IF [REDACTED] HAD KNOWN WHO THEY WERE DEALING WITH, THINGS COULD PROBABLY HAVE BEEN WORKED OUT. BUT ANONYMOUS PEOPLE CLAIMING TO "REPRESENT THE AMERICAN ADMINISTRATION" HAD RAISED ALL SORTS OF UNNECESSARY QUESTIONS. PARTICULARLY UPSETTING WAS AN EFFORT BY THESE PEOPLE TO TALK TO HIM AND THE PRIME MINISTER AT THE AIRPORT ON THEIR RETURN TO BRUSSELS. THEY FAILED TO DO SO BECAUSE THE MINISTERS WERE FLYING A MILITARY AIRCRAFT. NEVERTHELESS IN THE PROCESS THEY AROUSED BOTH ATTENTION AND SUSPICION. [REDACTED] CLOSED THE MEETING BY REITERATING THAT [REDACTED] WOULD TAKE ANOTHER LOOK AT IT. CHARGE THANKED HIM AND REITERATED PROPOSED FLIGHTS PART OF

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20 APR 1987

NSC 255C

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C/EUR
ACTION

05 01 14 ASZ

PAGE 001
TOR: 23 NOV 85

IN 0103143

3 23 NOV 85 STAFF

CITE

TO: FL

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Regier, National Security Council

SUBJECT: NSC REQUEST

REF: DIRECTOR 627461

1. ON RECEIPT REF MET FIRST WITH [REDACTED] AND
SUBSEQUENTLY WITH [REDACTED] IT BEING SATURDAY NIGHT, TRACKING
THEM DOWN WAS NOT RAPIDLY ACCOMPLISHED. [REDACTED] OFFICIALS TOOK
PROVIDED INFORMATION AND NOTED A NUMBER OF INDIVIDUALS WOULD NEED
BE CONTACTED IN ORDER SEEK AGREEMENT FOR OVERFLIGHTS.

2. AT APPROXIMATELY 2200 LOCAL [REDACTED] REPORTED MILITARY AND
PRIME MINISTER'S OFFICE WERE IN CONTACT. [REDACTED] BUT DECISION WAS THAT
MFA SHOULD BE APPROACHED DIRECTLY.

3

AT THIS POINT [REDACTED] DECIDED BRIEF AMBASSA-
DOR DUE NECESSITY DEAL DIRECTLY WITH MFA. AMBASSADOR WAS SUPPORTIVE.

4. [REDACTED] BRIEFED HIM
PER REFS. HE AGREED IN PRINCIPLE TO THE OVERFLIGHT REQUESTS BUT NOTED
FOLLOWING WHICH [REDACTED] WOULD BELIEVE NECESSARY TO THEIR FINAL DECISION:

A. SOME IDEA OF WHAT THE AIRCRAFT WOULD CARRY AS PRESUMABLY THEY
WOULD NOT BE EMPTY;

B. OVERFLIGHT OF THREE AIRCRAFT SIMULTANEOUSLY OR CLOSELY FOLLOWING
WOULD NOT BE ACCEPTABLE. HE SUGGESTED 24 HOUR STAGGERING; [REDACTED] WOULD
WITH 12 TO 18;

C.

5. IN OUTLINING HIS CONCERNS [REDACTED] NOTED [REDACTED] AS A [REDACTED] ARE
WISHED ACCEDE TO THE REQUEST BUT THEY ENTITLED TO MORE INFORMATION
THAN SO FAR PROVIDED.

[REDACTED] THEY NEEDED IN ADDITION TO SOME MORE INFORMATION FOR THEIR
OWN USE, ALSO A COVER STORY SHOULD FLIGHTS CALL ADVERSE REACTION.

6. COMMENT: IT IS CLEAR FROM CONVERSATIONS WITH [REDACTED] OFFICIALS
IS WILLING TO AGREE TO THE NSC PROPOSAL PROVIDED
WE ARE A LITTLE MORE FORTHCOMING ABOUT WHAT IS INVOLVED. THEY BELIEVE
THEY ARE ENTITLED TO SUCH INFORMATION.

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20 APR 1987

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CI/N 21647

21412

Central Intelligence Agency

UNCLASSIFIED

Washington D.C. 20505

Chapter 10, Footnote c

C 10123

Ch 10 #92

10-92

17 July 1987

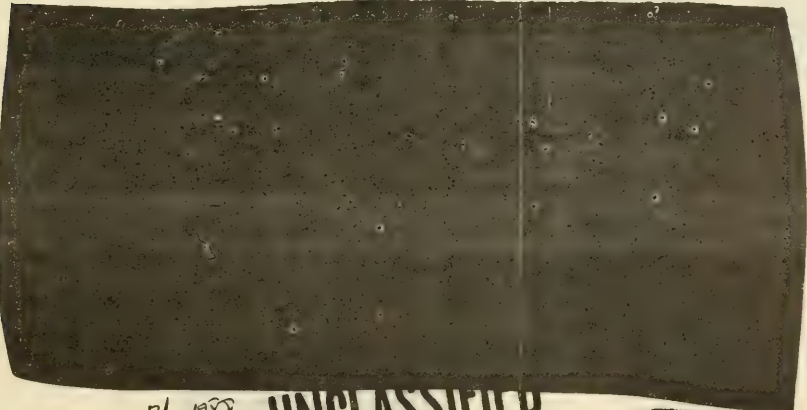
Mr. Paul Barbadoro
Deputy Chief Counsel
Select Committee on Secret Military
Assistance to Iran and the Nicaraguan Opposition
United States Senate
Washington, D.C. 20510

Dear Mr. Barbadoro:

I am writing in response to your letter of 2 July 1987. In that letter, you asked for several documents and other information pertaining to the Committee's investigation.

In paragraph 1 of your letter, you requested the portion of the CIA regulation which deals with the approval process on requests originating with the White House and/or NSC. A copy of that portion of the regulation is enclosed at Tab A.

In paragraph 2 of your letter, you requested the second page of CIIN#3156. David Pearline has discussed this matter with Tom Polgar and determined that the Committee does have the second page of CIIN#3156. Mr. Polgar agreed that it would not be necessary to retransmit this document.



12/2/1988

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[REDACTED]

In paragraph 4 of your letter, you requested information on what is meant when CIA cable traffic refers to the "highest level of U.S.G. interest." First, there are no CIA rules or regulations that define this term. Since this term was used by Duane Clarridge in cable traffic, we have asked him what he meant by this term. He advises that he was referring to the White House and that it is possible that North had suggested that he use that term in the traffic.

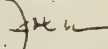
In paragraph 5 of your letter, you have requested a memorandum prepared by [REDACTED] dated 21 November 1985. Enclosed at Tab B is a sanitized copy of the memorandum. The full text copy of the memo has been reviewed by Tim Woodcock at CIA Headquarters.

In paragraph 6 of your letter you requested for Tim Woodcock a copy of the finished intelligence report on Iran, which was mentioned in a briefing provided to Mr. Polgar by [REDACTED] on 19 June. A copy of the intelligence report is enclosed at Tab C. The report contains some sensitive information classified at the Secret ORCON level. We would request that Mr. Woodcock read the document, make no copies of the document and return it to the Agency after he has completed his review.

In paragraph 7 of your letter, you requested a copy of the CIA Inspector General's report on Central America. The report has not been completed. We anticipate the report will be completed in the next few weeks.

In paragraph 8 of your letter, you requested [REDACTED] tapes found in the safe of the former [REDACTED]. Enclosed at Tab D are the actual tapes themselves. Three of the tapes contain no recordings and are therefore not included.

Sincerely,


John A. Rizzo

Enclosures
as stated

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AIR BRANCH⁸⁵ (AB)

Calhoun requesting advertisement on p. 707

Tugboat Sardinia to property cargo 240,000 lbs.

0 Area 336.4, E. - - - - 18' L x 2 1/2' W x 3 1/2' T.

Vehicle Pickup & Destination was Tel Aviv to [REDACTED]

or so coordination, was determined that
Soviet presence could be much advantage one was an

The ground [redacted] situated 2-5 ft from

The second ~~one~~ was delivered, con-
T. ~~and the T.~~

and had the [redacted] cross put on steadily. It
later developed that the [redacted] had had hard-
work and departed for [redacted] leaving out
one or more of the [redacted] members.

7/1. 1960 His final approval was given and I was advised that Richard CoPP would be contacting about 2000 This did happen and by then knew the Soviet Council was not active.

Customer agreed to book plus all expenses
and was to arrange fuel and provisions at
Birt Ede for estimated 3 loads. CORD

had no problem with using only one fiberoptic.

The first ^{Derivation from} ~~few~~ was Schuchter ~~Derivation from~~

2200 Everything was as good as new
New. DO 2619) 3 3C 2/42

100 for 2750 C-400. no problems, so Theo-

1. Internal view of data between computers the long distance -
CUN 2537

UNCLASSIFIED

C 6536

10 min. later [redacted] called to inform me
that the 1st aircraft was late leaving

[redacted] the host diverted the second [redacted]
at the request of the customer. The
[redacted] had also requested my further
move the cargo to Tahiti. [redacted] indicated the
[redacted] the same [redacted] the last [redacted] reported
to us [redacted] if we

checked [redacted] do this [redacted] indicated the [redacted] to
go to [redacted] to [redacted] and take money. [redacted] [redacted]
for [redacted] this [redacted] and the [redacted]
and [redacted] [redacted]. He called back that they [redacted]
considering it [redacted] did not want [redacted] to
get out of [redacted] with the customer long
enough to make [redacted] [redacted]

[redacted] to destination [redacted] ? why

check [redacted] [redacted]

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Date

20 APR 87

153055C

CIIN 2537

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295-1750-72

- 1900 [redacted] Watched CBS report [redacted]
 2000 [redacted] Called [redacted] He had seen and was
 standing by for instructions.
 2015 [redacted] Called [redacted] He had seen and not [redacted]
 2200 [redacted] Called to inform me that the [redacted]
 was moving [redacted] Staging in place.
 1120 2301 [redacted] Called with some [redacted] question
 should [redacted] be taken down

Routing - Entry [redacted] Point 13 E Time
 ETD [redacted]

NOTE: No direct [redacted] Main - [redacted]
 at Alameda Road dangerous - Connect.

8 mi min

and M
 BUT :18min After T.O.
 ARRI
 ALRAM 1:24 after [redacted]
 1:42
 Tehran :46

1400 [redacted]
 ETD 1600 [redacted]
 1400 [redacted]
 3 ABC 2/43
 A

REVIEW FOR RELEASE
 20/10/82
 20/10/82

(15) TABRIZ not correct

IN line to
 CIIN 2537

A/C Ready - no money
 0550 - no Transport Rights
 - no [redacted]

C 6538

guy at lower side says

1135 - [redacted] Route 8000. - Can go in ?

1150 [redacted] Receipt. based on people at site assurance
[redacted] [redacted] [redacted]

[redacted] - ETA / Via Bonus for Employees

has [redacted] - Land @ [redacted] 6K

14th [redacted] to [redacted] → Two groups in the [redacted]

don't come back direct [redacted] → 2+6 [redacted] to [redacted]

1 aircraft. Very Rich [redacted] [redacted]

130 + 1:30 + 1:30

+40 +1:30

20:00 1:40

20:40

1:30

22:10

00:10

2000 2 20/

2040 2

2210 2

0010 2 24/2

1410 2 24/2

21006-

Don ground [redacted] No Cargo Doc
[redacted] North.Just [redacted]
2 1/2 hrs after Landing

ARK 2

19:00 [redacted] Tomorrow Evening

00:00

3 30 2/43

DO

26:50

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CIN 2537

[redacted] 22 4/5 1/255C

20.1 gph

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Chapter 10, Footnote 114 y1

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ACTION

C 5742

85 0100 ASZ

CORRECT COPY

PAGE 001

TOR: 23 NOV 85

IN 9100473A

S E C 23 NOV 85 STAFF

CITE

TO: FL

10-114

SUBJECT: REQUEST FOR ASSISTANCE

1. COPP CALLED STATION TO REQUEST WE FORWARD FOLLOWING:
WE HAVE DC-8

OVERFLIGHT CLEARANCE.
HAS BEEN REQUESTED BUT NO RESPONSE RECEIVED AS YET.
REQUEST YOUR ASSISTANCE URGENTLY

IF WE HAVE NO FURTHER PROBLEMS, ANTICIPATE THIS
AIRCRAFT WILL DEPART CIRCA TODAY.

2. FILE: DEFER. DECL OADR DRV HUN

WASH S/C NOTE: MSGNBR IS DUPE WITH MSGNBR, BEING SERVICED.
HFD COMMENT: CHANGED CITE NUMBER PER SW 9100473.

END OF MESSAGE

Partial Declassification
under pro
by B. J. [illegible]

12 Jan 1988

4219

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Date 20 APR 1987

HSC + SSC

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CIIN 2148

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Chapter 10, Footnotes 80, 131, 141

25794-95

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INCOMING

10-139+141

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PAGE 001
TOR: 26 NOV 85

IN 9122501

NOV 85 STAFF

CITE

TO: IMMEDIATE

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security CouncilSUBJECT: —DCM-MEETING WITH FOREIGN MINISTRY
FROM DCM

1. DCM [REDACTED] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES [REDACTED] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARAS 8 AND 9.

2. [REDACTED] SAID ESSENTIAL POINT [REDACTED] THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH [REDACTED] U.S. POLICY AND [REDACTED] POLICY THAT THE GOVERNMENT NEEDED [REDACTED] WRITTEN ASSURANCES [REDACTED] THAT THE OPERATION WAS FOR HUMANITARIAN [REDACTED] AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS [REDACTED] SAID HE WANTED TO EMPHASIZE THAT WITH THESE ASSURANCES [REDACTED] PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO [REDACTED]

3. THE DCM SAID THAT WHILE THE DESIRE [REDACTED] FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE [REDACTED] SHOULD UNDERSTAND THAT THE ACTIONS OF [REDACTED] ON NOVEMBER 22 AND 23 GAVE THE IMPRESSION TO SOME THAT [REDACTED] WAS STANDING, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [REDACTED] CONDUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [REDACTED] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

5. DCM THEN NOTED THAT AMBASSADOR [REDACTED] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26.

SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREEMENT.

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NSC NOT FOUND ALTERNATIVE MEANS AND IF THERE IS STILL INTEREST IN COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPORTUNITY TO GET IT.

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF THERE IS AN INTEREST IN REVIVING [REDACTED] COOPERATION AND IF SO ON WHAT BASIS.

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESENTED COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERICA IN REFERENCE TO THE EMBASSY'S NOTES [REDACTED] OF NOVEMBER AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES."

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Date 120 APR 1987

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PAGE 003
TOR: 20 NOV 85

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CHARGE OF THE USA WAS RECEIVED BY [REDACTED]
FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE
FROM [REDACTED]
THE REFERRED NOTE.

COMPLETELY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT
SURPRISE OF THE MINISTRY OF FOREIGN AFFAIRS, WHO IMMEDIATELY
RECEIVED THE CHARGE NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED
EXPRESSING THE CHARGE NOTE, THE GOVERNMENT WAS UNABLE TO
FULFILL THE REQUEST OF THE GOVERNMENT OF THE UNITED STATES FOR THE
HUMANITARIAN REFERRED TO IN EMBASSY NOTE NO. [REDACTED] WAS
PRESENTED AMONG THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO
PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE
CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND
URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE
MENTIONING THE REASONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED
AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS TO THE EMBASSY OF THE USA THE ASSURANCE OF THE OPPORTUNITY TO RENEW
ATION."

10. NO FILE. DECL OADR DRV HUM [REDACTED] SECRET
END OF MESSAGE

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Under provisions of E.O. 12356
by B. Regier, National Security Council

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Date 20 APR 1997
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hangar. Due to the shortage of time we decided to let the aircraft fly to pick up the pallets instead of transporting them via ground transport.

another contractor

The pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying time.

In the meantime Capt. [redacted] together with [redacted] and an *copilot* additional loadmaster [redacted] had arrived from Paris via train and were also on board when the aircraft departed finally at about [redacted]. It arrived in TLV [redacted] (23 Nov)

Due to this departure [redacted] may, Copp had requested from me to also put the second aircraft into this operation due to the utmost urgency of the mission. *IT WAS* Therefore the code word was transmitted [redacted] and after unloading [redacted] fuelled and departed to TLV [redacted]. The overflight rights had been granted in the meantime [redacted] landed at [redacted] on the 23 Nov in TLV [redacted].

PHASE III - Loading

the 20 Although Richard Copp, [redacted] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours. [redacted] which had first arrived, had loaded one piece out of 19 pieces in 4 hours. Therefore [redacted] time all concerned parties were concerned that the [redacted] would take as long as possibly 24 hours. Therefore and [redacted] obviously traffic rights had not been granted in [redacted]. I was told that now the load had to be transported [redacted] by [redacted]. This confirmed my initial suspicions and it was obvious to me that several things had to be changed. (Copp [redacted] 24 hours before that the traffic rights [redacted] [redacted] to be issued and that [redacted] was informed at a time where my crew told me that in TLV everyone knew that they had already been turned down and that the real deal was [redacted]).

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20 April 77
MSC/SSC

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I was given the contact of Mr. A. Schwimmer in TLV by Mr. Copp and ^{the 707} talked to Schwimmer several times on the phone. ^{the 707} told him that we could not fly to THR with an American registered aircraft and that we therefore had to unload ^{the 707} again. He tried several times to convince me and even offered to paint a different registration on the aircraft and do some kind of formation flying into THR. Keeping in mind that all phone conversations to Israel might be listened to, I told him that we were a normal Airline and wanted to stay in business some time to come and that the only way to do it was the correct way for us to do it. Therefore ^{the 707} was unloaded again. In addition to that I explained to him that we needed traffic rights to overfly ^{the captain} which we had applied for tentatively the moment the real deal had come out, but only for ^{the captain}. And also we estimated that it would take time to get those rights. In addition I had conferred with ^{the captain} and was told that those traffic rights would be supported diplomatically and that we could count on them. I was in touch with ^{the captain} all the time and verified all the information ^{the captain} gave them. In fact ^{the captain} was in Schwimmers home and we negotiated there that we needed 30 000 USD in order to go to the new destination because we had not planned on it and therefore had not enough cash with us. Also we did not trust them that everything was paid in THR. Schwimmer came up with 8000 USD after lengthy discussions because it was Sunday in the meantime and he could not get more money.

PHASE IV - Flights performed

According to the new agreement between Schwimmer and ^{the 707} ^{the 707} had been unloaded again and departed ^{the 707} on Sunday the 24 Nov. ^{the 707} did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THR route could be flown by one crew due to the lengthy loading and unloading procedures. In the meantime Schwimmer confirmed that traffic rights for overflight ^{the 707} had been confirmed and we could go with ^{the 707} as soon as it was loaded. However, the last moment they decided against our agreement that the aircraft should land ^{the 707} before going on to THR. This required additional funds by us as the aircraft had to be defuelled in TLV because it would have been too late for landing ^{the 707} and had to refuse this mission. ^{the 707} had to be refuelled in TLV but even after long discussions Schwimmer only applied another 2000 USD which gave ^{the 707} about 2000 USD together with the cash he had in his ships funds.

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Date

20 April 77

HSC/SC

CIIN 2533

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See Hearing Exhibit DRC 1-19

Chapter 10, Footnotes 83, 84, 2575x-51

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ACTION

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PAGE 001

IN 9103070

TOR: 23 NOV 85

52 257 23 NOV 85 STAFF

CITE

TO: 1A

Partially Declassified/Released on 23 June 1987
under provisions of E.O. 12356
by B. Reger, National Security CouncilSUBJECT: NSC MISSION
FROM CHARGE

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20 APR 1987

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PAGE 001

TOR: 23 NOV 85

IN 9103143

3 NOV 85 STAFF

CITE

TO: FL

Partially Declassified/Released on 23 June 1987
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by B. Roger, National Security Council

SUBJECT: NSC REQUEST

REF: DIRECTOR 627461

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3.

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FOLLOWING WHICH [REDACTED] WOULD BELIEVE NECESSARY TO THEIR FINAL DECISION:

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WOULD NOT BE EMPTY;

B. OVERFLIGHT OF THREE AIRCRAFT SIMULTANEOUSLY OR CLOSELY [REDACTED] FLYING
WOULD NOT BE ACCEPTABLE. HE SUGGESTED 24 HOUR STAGGERING: [REDACTED]
WITH 12 TO 18;

C.

5. IN OUTLINING HIS CONCERNS [REDACTED] NOTED [REDACTED] AS A [REDACTED] AND
WISHED ACCEDE TO THE REQUEST BUT FELT THEY ENTITLED TO MORE [REDACTED]
THAN SO FAR PROVIDED.

THEY NEEDED IN ADDITION TO SOME MORE [REDACTED] FOR THE
OWN USE, ALSO A COVER STORY SHOULD FLIGHTS CALL ADVERSE [REDACTED] ACTION. [REDACTED] 3 7C

6. COMMENT: IT IS CLEAR FROM CONVERSATIONS WITH [REDACTED] OFFICIALS
[REDACTED] IS WILLING TO AGREE TO THE NSC PROPOSAL PROVIDED
WE ARE A LITTLE MORE FORTHCOMING ABOUT WHAT IS INVOLVED. THEY BELIEVE
THEY ARE ENTITLED TO SUCH CONSIDERATION.

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20 APR 1987

~~CONFIDENTIAL~~

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C/N 21412

10-151

See Hearing Exhibit DRC 1-37

10-151

See Hearing Exhibit DRC 1-38

10-153

See Hearing Exhibit DRC 1-41

Chapter 2, Footnotes 26 28, 30, 47
154 156, 161, 163

16572-2624

30 Nov 8

MEMORANDUM

301185

UNCLASSIFIED

Re: Mission TLV/THR

10-154456

1. CHRONOLOGICAL REPORT

PHASE I - Contact and Contract

Friday afternoon 22 Nov first info to me [redacted] that I would be contacted concerning an urgent flight and that it was in our interest to perform those upcoming flts. At about 20 00 Local time I was contacted by a certain Mr. Richard Copp [redacted]. He asked me whether I had already been informed about a mission, which I denied. He then explained to me that there had to be 3 flights done as quickly as possible "Government to Government" from Tel Aviv [redacted]. After a short discussion we agreed that we could do it with 3 aircraft consecutively for a flat fee of 60 000.00 USD plus fuel, landg, handlg had to be paid by him. Further it was agreed that second Boeing would be made available on request should the latter get urgent. During my subsequent conversation to our [redacted] I referred to my MEMO 211185 para 4 and questioned the way it was displayed to me and supposed that this cargo was the same as in my memo indicated. This was [redacted].

PHASE II - Positioning

Our Boeing [redacted] had just arrived [redacted] aircraft was taken over by [redacted] and [redacted] departed [redacted]. Capt [redacted] had the order that upon the receipt of the code "Callie" he would find an excuse for the customer and depart [redacted] Aviv, filing [redacted] officially for [redacted] Traffic rights for [redacted] should [redacted] were tentatively applied for by [redacted] this become necessary.

Our second Boeing was parked in [redacted] and [redacted] port before the airport opened the next morning. At the time I had made the agreement with [redacted] about 0100 GM. The crew [redacted] which was supposed to [redacted] the next day [redacted] was therefore alerted concerning the early departure of this aircraft to Tel Aviv. At [redacted] the airport had opened the fuel company was available for fuelling this aircraft [redacted]. At about this time I was informed by Copp that pallets had to be taken along. [redacted] Our own pallets were stored in the [redacted].

Partially Declassified/Released on 4 July 1992
under provisions of E.O. 12856
by B. Reger, National Security Council

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change. [REDACTED] Due to the shortage of time we decided to let the aircraft fly [REDACTED] to pick up the pallets instead of transporting them [REDACTED] via ground transport.

[REDACTED] the pallets had been put on a forklift in the meantime and our mechanic was waiting for the aircraft to arrive. After the aircraft had arrived the pallets were loaded and the aircraft continued to fly to Tel Aviv after having refuelled a little because of the extra flying time.

In the meantime Capt [REDACTED] together with [REDACTED] and an [REDACTED] additional loadmaster [REDACTED] had arrived from Paris via train and were also on board when the aircraft departed finally at about [REDACTED] It arrived [REDACTED] (23 Nov)

Due to this departure [REDACTED] Copp had requested from me to also put the second aircraft into this operation due to the utmost urgency of the mission. [REDACTED] IT WAS [REDACTED] transmitted [REDACTED] and after unloading [REDACTED] fuelled and departed to TL [REDACTED] The overflight rights had been granted in the meantime [REDACTED] landed a [REDACTED] on the 23 Nov in TLV [REDACTED]

PHASE III - Loading

Although Richard Copp [REDACTED] had said to me that the loading was planned to take 5 hours but would be speeded up to 2 hours. [REDACTED] which had first arrived, had loaded one piece out of 19 pieces in 4 hours. Therefore [REDACTED] the time all concerned parties were concerned that the [REDACTED] would take as long as possibly 24 hours. Therefore and [REDACTED] obviously traffic rights had not been granted [REDACTED] I was told that now the load had to be transported [REDACTED] TLV. This confirmed my initial suspicions and it was obvious [REDACTED] that several things had to be changed. (Copp [REDACTED] hours before that the traffic rights [REDACTED] issued and [REDACTED] was in [REDACTED] as a [REDACTED] [REDACTED] my crew told me that in TLV everyone knew that they had already been turned down and that the real dest was [REDACTED])

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I was given the contact of Mr. A. Schwimmer in TLV by Mr. Copp and ^{the 707} talked to Schwimmer several times on the phone. I told him that we could not fly to THN with an American registered aircraft and that we therefore had to unload ^{the 707} again. He tried several times to convince me and even offered to paint a different registration on the aircraft and do some kind of formation flying into THN. Keeping in mind that all phone conversations to Israel might be listened to, I told him that we were a normal Airline and wanted to stay in business. I gave him time to come and that the only way to do it was the correct way for us to do it. Therefore, ^{the 707} was unloaded again. In addition to that I explained to him that we needed traffic rights for overflight which we had applied for tentatively the moment the real nest had come out, but only for ^{the 707}. And also we estimated that it would take time to get those rights. In addition I had conferred with ^{the 707} and was told that those traffic rights would be supported diplomatically and that we could count on them. I was in touch with ^{the 707} all the time and verified all the details with them. In fact ^{the 707} was in Schwimmers home and we negotiated there that we needed 30 000 USD in order to go to the destination because we had not planned on it and therefore did not have enough cash with us. Also we did not trust them that everything was paid in THN. Schwimmer came up with 8000 USD and lengthy discussions because it was Sunday in the meantime ^{the 707} could not get more money.

PHASE IV - Flights performed

According to the new agreement between Schwimmer and ^{the 707} ^{the 707} had been unloaded again and departed ^{the 707} on Sunday the 24 Nov.

^{the 707} did this flight and took all extra crew back except for the second loadmaster because it had become obvious to us that the TLV/THN route could be flown by one crew due to the lengthy loading and unloading process. In the meantime Schwimmer confirmed that ^{the 707} rights for overflight ^{the 707} had been confirmed and we could go with ^{the 707} and so ^{the 707} as it was unloaded. However, the last money they decided to take out of our agreement that the aircraft should have been unloaded on to THN. This required additional funds by us ^{the 707} and ^{the 707} had to be fulfilled in TLV because it would have been a disaster for landing ^{the 707} and had to return this mission. ^{the 707} applied another 2000 USD which ^{the 707} applied together with the cash he had in his ships funds.

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Finally we gave the green light for ^{the captain} to take off and he left TLV with ^{the captain} on the 24 Nov. Since arrival it had taken him exactly 24 hours for loading and clearing all the problems.

After arrival ^{the captain} had new problems as the customer and especially the military in TLV had not only not given him any documents for the load but also had taken out every evidence which might have proved that the aircraft was in TLV. Customer ^{the captain} therefore did not want to release the aircraft unless documents were produced and therefore the load also had to be inspected. Finally ^{the captain} wrote a cargo manifest ^{the capt}, which was accepted although it had no stamp of the signature point and finally he could talk his way out of this situation. Finally he therefore left at ^{the captain} direction as planned.

However, nothing was prepared for overflight ^{the captain} and he had again to talk his way through. Since they repeatedly insisted on a diplomatic clearance number, he made one up which was not accepted after long negotiations and then he filibustered one hour and 30 min his way ^{the captain} using different altitudes, positions and estimates that he told ^{the captain} with whom ^{the captain} obviously in radio contact.

However, radar really ^{the captain} his off-positions which gave additional reasons for arguments and delays.

At the THR border ^{the captain} received without any problems but he did not have to say the code "I am coming for Mustafa" because Radar treated ^{the captain} very normally.

Finally he landed ^{the captain} on the 25 Nov (Monday)

PHASE V - Unloading

After landing in THR the aircraft had to remain on the runway for about 10 min until a "follow me" came and directed them to the parking area which was on the military side. The landing had been done on runway 29 r and the aircraft was directed to the south of this runway onto the the north/west part of the southern military apron.

^{the captain} It is a special area which is surrounded by a high fence to the outside so that people outside the ^{the captain} cannot see the aircraft.

^{the captain} was first contacted by an officer ^{the captain} who directed the unloading later and who told him that ^{the captain} did not know about this flight and were surprised that it ^{the captain} 30 min after arrival a civilian with a ^{the captain} on his back arrived at the aircraft and asked ^{the captain} first: "What are the nationalities of the crew and the cargo, where do you come from?"

Then he talked to ^{the captain} telling him that he should not

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20 Apr 87

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page 5

MEMO 301185

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to tell anyone including the military where the aircraft really came from. He then mentioned that they were expecting 4 more flights from TLV. He would like to see the same crew then due to security. When [redacted] was asking for money or arrangements of fuel, parking etc. he told him not to worry and that everything would be taken care of.

2 Supervisor then started to direct the unloading of one military and one civilian with submachine guns. [redacted] was sent to the officers' Mess where they were again by the civilian to keep their mouth shut about this and not talk to anyone about their mission.

Capt. [redacted] then told him that our crew did not want to pass through passport and customs control.

As they expected another unit to arrive and then had to leave again. Therefore the civilian took them in a car through back roads off the airport and was not checked or stopped at the gate although even military had to produce their id - cards at that gate. The trip to the Hotel took one hour and finally they arrived at the former Sheraton Hotel. (Different name now, could not remember)

All rooms were occupied and therefore they had to take a suite together. After being in the hotel for about 2 hours to the surprise of the crew they got a phone call that the aircraft was unloaded and that they would be picked up in a few minutes. This was 6 hours after the aircraft had landed. [redacted] had the capt remained at the airport for some time to see that the unloading really took place and that it was done correctly. Then the time in the officers' Mess and the trip to the Hotel had taken some time.)

However, after this alert it took 2 hours until the car finally arrived. In the meantime the civilian had apologized several times and the crew was offered coffee and cakes.

After arrival at the airport through the "backdoor" [redacted] required a permit number for overflight [redacted] in order to avoid the problem he had coming in. He refused to leave without. Therefore he and the civilian went to the Tower from where they tried to [redacted] obtain this number. After about 2 hours of trying [redacted] told them that the flight was ok but they could not get a number. Also [redacted] told that the Air Defense of Iran was informed and that [redacted] leave now which he finally accepted.

When the crew was taken over to the aircraft [redacted] realized that the aircraft had been towed to the civilian side in the meantime and that it was being fuelled by civilian personnel. When [redacted] asked for full tanks (or more) [redacted] is because after all those problems which I was [redacted] had called [redacted] via Telephone from the [redacted] I wanted the possibility to take the aircraft directly back [redacted] if necessary.

the civilian who had received him was very disappointed because he realized that so much fuel was not needed to go back to TLV. However [redacted] told him that he needed the extra for security.

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PHASE VI - Return flight

The aircraft took off at [redacted] on the 25 Nov, after 14:35 hours on the ground in THR.

The aircraft was directed by radar off the airways a little more to the north than normally, close to the Russian border.

Altitude was given a special exit time which he had to meet in order to comply with the Iranian Air Defense.

Approaching Tabriz the aircraft was ordered down from FL 350 to FL 280, shortly before reaching [redacted] border again up to FL 350. (reason unknown).

No transponder was used in the Iranian airspace. After arrival [redacted] was told by radar that this time he was accepted but that in future for further flights, the ok of the civil air was not enough but that he had to get also the ok of the Ministry of foreign affairs and that otherwise the aircraft would be turned back.

Based on all this information, I ordered [redacted] via radio to proceed directly [redacted] which we had planned initially. The aircraft arrived [redacted] 26 Nov.

GENERAL CONCLUSIONS

The mission was poorly planned and directed by our contract partners in a amateurish way.

1. [redacted] was in the market for about a week with [redacted] to THR.
2. Copp was sitting in [redacted] although [redacted] was finally not flown to [redacted] and he as our contract partner could not [redacted] what was going on in TLV. C 2/43
3. In TLV the aircraft was on the military [redacted] loaded by high ranking military personnel who were not [redacted] to this type of work. (The lowest ranking [redacted] Lieutenant) In addition they did not work much at [redacted] many coffee brakes. 26220
4. A certain Mr. A. Schwimmer which was introduced to [redacted] by Copp as the representative in TLV of Copp, was very pushy with the military, sometimes to a point where he was insulting, but he did not understand the special aviation problems and did not have things under control. I.E. He seriously proposed to the Captain [redacted] to change the registration of the

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Page 7 of MEMO 301183

aircraft and to forge the respective papers " in 2 hours". This was turned down by [redacted] and also by myself when Schwimmer mentioned it on the phone due to the before mentioned reasons.

Also the cash money which Copp had promised was not available and Schwimmer apparently did not know about this requirement.

5. The routing changes, destination changes, involved traffic rights were done too late and the crew grew more and more insecure as they are not used to this type of makeshift Airline direction and control.

6. The mission was still performed successfully because of the initiative the crew had displayed and because they are used also under adverse circumstances to complete the mission before problems will be discussed. However, this is not the way it can be done repeatedly because the good will will be worn out.

PROPOSAL

As Aviation is a very complex business which requires a lot of experience from all concerned and also because the feed back information is so vital for the operation, the directly involved employees have to be part of the decision making and planning as early as during the contracting stage.

Had it not been a special flight, I would have delayed for about 2 days after I had learned about the change of Destination in order to have enough time for correct planning and the acquisition of the necessary traffic rights.

The little radar controller does not know political decisions and will not even be informed by his superiors. We experienced that time and again. Therefore all these things have to be presented in a normal way so that the controller simply has a dip in clearance number like he has for every other aircraft. This flight will look totally normal for him.

In other words: Those flights can be performed without any problem by only with the proper planning.

In order to have proper planning, the manager of the airline, who happens to be myself, should be heard before making or making commitments to third parties and be part of the planning process.

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Therefore suggest that during the preparation process I should be invited to the meeting of the departments which are involved in the decision making.

It is true that there is the aspect of security and that the operations have to be done in a clandestine way. However, it cannot be worse than it was during this last mission and it could have been performed totally clandestine, had the above proposed meeting taken place in advance.

In addition to that, my presence during those meetings could provide the concerned officers who represent the different departments with useful feedback information so that for future planning some things can be ruled out right away without even going into detail whereas offers can be accepted right away without checking details.

In addition to that, single missions or tasks to be performed should be part of a strategy which I am sure exists, but which I am not aware of in detail. Knowing the all-over strategy it would be easier to plan certain missions and it would even be easier to plan the budget which defines whether new airplanes have to be purchased/leased or others have to be sold.

In short: I would appreciate if I could be given more responsibility by being more part of the team as far as the planning of the aviation aspects are concerned. I think it is a waste of experience and information when this is not made part of the planning process. I also like to make sure that I am not on a "ego trip", but that I have the success of our company in mind which last not least is also the success of this country.

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See Hearing Exhibit DRC 1-48

10-158

See Hearing Exhibit DRC 1-49

Chapter 10, Footnote 166

PAID TO _____ C 6567

RECEIVED FROM B/O LAKE RESOURCESDATE 29 NOV 85

10-166

PURPOSE TRAVEL FLIGHT 23-25 Nov 85

ACCOUNT NUMBER

ACCOUNT NUMBER

DEBIT

CREDIT

Chase Bank \$.

\$ 10110 ✓

126,809.50 ✓

Bank Charges

\$ 70790 ✓

190.50 ✓

Marker Revenue Freight 707

\$ 30301 ✓

127,000.- / -

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CHECK # AMOUNT

PREPARED BY

REVIEWED FOR RELEASE

Date

20/Nov/85
HSC/SSC

VOUCHER #

1100

CHASE US\$

PAID TO

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RECEIVED FROM LAKE RESOURCES

DATE

3 DEC 85

PURPOSE

THR - FLIGHT

ACCOUNT TITLE

ACCOUNT NUMBER

DEBIT

CREDIT

Chase Bank \$

\$ 10110

700.-

Charter Revenue Freight

\$ 3030 (G-3)

700.-

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CIIN 2567

CHECK #

AMOUNT

PREPARED BY

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20 April 87

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Chapter

10-188

188

Finding Pursuant to Section 662 of the Foreign Assistance Act of 1961, As Amended, Concerning Operations Undertaken by the Central Intelligence Agency in Foreign Countries, Other Than Those Intended Solely for the Purpose of Intelligence Collection

0401

I have been briefed on the efforts being made by private parties to obtain the release of Americans held hostage in the Middle East, and hereby find that the following operations in foreign countries (including all support necessary to such operations) are important to the national security of the United States. Because of the extreme sensitivity of these operations, in the exercise of the President's constitutional authorities, I direct the Director of Central Intelligence not to brief the Congress of the United States, as provided for in Section 501 of the National Security Act of 1947, as amended, until such time as I may direct otherwise.

SCOPE

Hostage Rescue -
Middle East

DESCRIPTION

The provision of assistance by the Central Intelligence Agency to private parties in their attempt to obtain the release of Americans held hostage in the Middle East. Such assistance is to include the provision of transportation, communications, and other necessary support. As part of these efforts certain foreign materiel and munitions may be provided to the Government of Iran which is taking steps to facilitate the release of the American hostages.

All prior actions taken by U.S. Government officials in furtherance of this effort are hereby ratified.

The White House
Washington, D.C.

Date:

7 May 1987

EP 700188 85
CY 06 CYS

CIN #153

10-190

See Hearing Exhibit OLN-69A

10-205

See Hearing Exhibit JMP-17

CHAPTER 11. CLEARING HURDLES: THE PRESIDENT
APPROVES A NEW PLAN

11-1

See Hearing Exhibit OLN-69A

11-5

See Hearing Exhibit OLN-69A

11-7

See Hearing Exhibit OLN-69A

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Chapter 11 Footnote 27 r-

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ACTION:

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S ECT 25 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

SUBJECT: MSC REQUEST

REF: DIRECTOR 627576

3. [REDACTED] IS PREPARED TO ARRANGE USE OF
AIRPORT [REDACTED]

4. UNLESS THERE IS SOME CONSIDERATION ON YOUR END OF WHICH WE UNAWARE, [REDACTED] SEEMS THE WAY TO GO. IF YOU CONCUR, [REDACTED] NEEDS MORE DETAILS THAN REF CONTAINS: IDENTIFICATION OF EACH AIRCRAFT; NUMBERS OF PERSONS ABOARD; HOW CARGO IS MANIFESTED; ETAS; ANTICIPATED TIME ON GROUND NEEDS; ETAS FOR RETURN LEGS; WHETHER ANY RON EXPECTED [REDACTED] NAMES OF PILOTS FOR CLEAR IDENTIFICATION PURPOSES, ETC.

6. AWAIT YOUR FURTHER INSTRUCTIONS.

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Date 20 APR 1987
HSC & SSC**UNCLASSIFIED**

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Declassified / released on 11-27-82
under provisions of E.O. 12958
of 2. Regel, National Security Council

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Chapter 11 Footnote 27 87

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IN 5114886

TCR: 25 NOV 85

SECRET 25 NOV 85 STAFF.

CITE

TO: IMMEDIATE DIRECTOR.

WHINTEL

FROM AND

FOR THE SCIEYES ONLY

1. [REDACTED] WOULD LIKE TO TALK ON THE TELEPHONE WITH THE DIRECTOR EITHER TONIGHT OR TOMORROW MORNING CONCERNING [REDACTED] MEETING TODAY WITH FOREIGN MINISTRY. [REDACTED] UNFORTUNATELY SECURE LINE IS DOWN AND CALL WILL HAVE TO BE MADE ON OPEN LINE. [REDACTED] AMBASSADOR WILL BE IN HIS RESIDENCE ALL EVENING, [REDACTED] CALL CAN BE PLACED AT ANY TIME.

2. [REDACTED] COMMENT; [REDACTED] ADVISED THAT HE HAD BRIEFED [REDACTED] ABOUT THE NSC OPERATION [REDACTED] HE BEEN WORKING ON DURING THE PAST TWO DAYS. APPARENTLY [REDACTED] WOULD LIKE TO HEAR FROM YOU PERSONALLY WHETHER THE OPERATION [REDACTED] AN NSC/MCFARLANE OPERATION, AN AGENCY OPERATION, OR WHAT AND WHETHER YOU BELIEVE IT WISE TO TRY AGAIN TO GET IT GOING AGAIN FROM [REDACTED] REGARDS; DECL CACR CRV HUM 4-82

END OF MESSAGE

SECRET

Declassified/Released on 1/22/88
under provisions of E.O. 12356
2. Razer, National Security Council

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20 APR 1987

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PAGE 001
TOT: 25

NOV 85

DIRECTOR 628752

SECRETSTAFF: 25 DIRECTOR 628752
TO: FLASH

SUBJECT: NSC MISSION

REF:

1. THE FOLLOWING IS FROM THE ACTING DCI AS THE DCI IS NOT
IN COUNTRY:

DEAR MR. AMBASSADOR:

I CAN ASSURE YOU THAT THE INFORMATION ABOUT WHICH YOU
HAVE BEEN BRIEFED BY YOUR [REDACTED] WAS INITIATED BY THE NATIONAL
SECURITY COUNCIL. I DO NOT BELIEVE THAT IT WOULD BE WISE TO
ATTEMPT TO REACTIVATE IT IN [REDACTED] I CAN ASSURE YOU THAT
ALL HERE APPRECIATE THE EFFORTS THAT [REDACTED] STAFF MADE TO BRING
[REDACTED] ON BOARD. WITH MY VERY BEST REGARDS.

2. NO FILE. DECL OADR DRV HUN
ORIG: C/EUR (CLARRIDGE); AUTH: ADDO

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A/DCI. CL BY

END OF MESSAGE

P3:

Decision: [REDACTED]
Under: [REDACTED]
[REDACTED]

1/22/88

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REVIEWED FOR RELEASE

Date 120 APR 1987

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PAGE 001

TOT: 25 NOV 85

DIRECTOR 628959

SECRET
STAFF 25 DIRECTOR 628959
TO: IMMEDIATE*who for?
DAS, 121-1101 file*

SUBJECT: NSC MISSION

1. NOW THAT I HAVE A MOMENT'S RESPIRE FROM SENDING AND RECEIVING FLASH TRAFFIC, LET ME EXPLAIN SOME OF THE FACTORS INVOLVED IN THIS OPERATION WHICH MAY HELP YOU UNDERSTAND THE RATHER BIZARRE MANNER IN WHICH IT IS BEING CONDUCTED. WE ARE ONLY THE BROKERS IN THIS MATTER AND DO NOT HAVE DIRECT RAPID COMMUNICATIONS WITH THOSE RESPONSIBLE FOR ORIGINATING THE FLIGHTS OR THE FLIGHT CREWS. THIS IS BASICALLY A COMMERCIAL TRANSACTION AND INVOLVES AIR CHARTER COMPANIES OVER WHICH WE HAVE NO DIRECT CONTROL. MOREOVER, THERE ARE NO AGENCY PERSONNEL ON THE GROUND IN CONTACT WITH THE INDIVIDUALS ORIGINATING THE FLIGHTS; I.E., [REDACTED] IS NOT INVOLVED. NOR, AS I MENTIONED BEFORE, ARE [REDACTED] THE ORIGINATORS, THEREFORE, ARE NOT PROFESSIONALS IN OUR LINE OF WORK AND COPING WITH THEIR WAYS OF DOING BUSINESS AND MESSING THEM WITH OURS IS MUCH OF OUR PROBLEM. TODAY THERE WILL BE AN INDIVIDUAL ARRIVING IN TEL AVIV AT LEAST HAS A MODICUM OF UNDERSTANDING HOW THIS WORKING SHOULD WORK AND BY TOMORROW MORNING, THERE WILL BE AN INDIVIDUAL THERE

2. ONE OF THE KEY ELEMENTS FOR [REDACTED] IS THE REQUIREMENT THAT THEY HAVE AT LEAST A GOOD APPROXIMATION WHEN THE AIRCRAFT IS GOING TO ENTER THEIR AIRSPACE EASTBOUND. THE FLIGHT PLAN FILED BY THE AIRCRAFT SHOULD PROVIDE THIS BUT THERE IS A CHANCE IT WILL NOT REACH [REDACTED] IN TIME. IF THIS WERE A NORMAL COMMERCIAL FLIGHT, IT PROBABLY WOULDN'T MAKE MUCH DIFFERENCE TO THEM BUT UNDER THE CIRCUMSTANCES IT DOES. THEREFORE, I THINK THAT ONE OF THE MOST USEFUL THINGS YOUR OFFICER AT [REDACTED] CAN DO IS TO PHONE THIS DATA TO YOU WHEN IT IS AVAILABLE AND YOU CAN PROVIDE IT TO [REDACTED] BY FLASH PRECEDENCE. THIS SHOULD RELIEVE SOME OF THE IRRITATION ON [REDACTED] END.

3. THERE WILL PROBABLY BE TWO CHARTER COMPANIES INVOLVED IN THIS AIRLIFT. BESIDES [REDACTED] WILL ALSO PROBABLY BE INVOLVED. THE LATTER MAY BE PROPRIETARY, BUT I AM NOT SURE. HOPE THE ABOVE HELPS YOU UNDERSTAND WHAT WE ARE WORKING WITH. DON'T HESITATE TO ASK ANY OTHER QUESTIONS THAT MAY ASSIST YOU. FINAL THOUGHT: THE MATERIAL BEING TRANSPORTED IS SPARES FOR THE OIL INDUSTRY AND I AM ATTEMPTING TO ENSURE THAT IT IS MANIFESTED AS SUCH RATHER THAN UNDER THE RUBRIC OF "MACHINERY" OR "MEDICAL STORES." BY DOING SO, WE SEEM TO KEEP GOVERNMENTS FEELING EASIER AND FUZZY.

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET. >
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Date 120 APR 1987

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*original released 12-15-88
under provisions of E.O. 12958
2-16-88, National Archives*

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SECRET 26 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

SUBJECT:—NSC MISSION

REF: DIRECTOR 628959

1. APPRECIATE REF, WHICH IS JUST ABOUT WHAT I HAD CONCLUDED.
T ALSO SUGGESTS THAT THE SIMPLER WE KEEP THING, THE BETTER:

3.

DESTINATION AIRCRAFT SHOULD FILE FOR ON LEAVING
TEL AVIV, BUT OUR GUESS IS IT WILL BE THE TRUE ONE, RATHER THAN
GET INTO A CHANGE OF ITINERARY ON ENTERING AIR SPACE.
(WERE IT A SINGLE FLIGHT, THE SWITCH WOULD ATTRACT LITTLE OR NO
ATTENTION. FOUR AIRCRAFT, POSSIBLY BELONGING TO MORE THAN ONE
COMPANY, ALL FILING CHANGES OF ITINERARY AND REDIRECTING IN MID-
AIR TO A MILITARY AIRFIELD IS BOUND TO ATTRACT UNWELCOME NOTICE.
FILING FOR THE TRUE DESTINATION ALSO SEEMS TO REDUCE THE PROSPE
FOR PILOT ERROR, GIVEN THE "UNWITTING" AND APPARENTLY AMATEUR
ASPECTS OF ALL THIS.)

4. ADVISE BY FLASH RETURN IF ABOVE CHANGE DOES NOT RPT
MEET WITH YOUR APPROVAL. OTHERWISE, WILL ADVISE YOU FURTHER

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

END OF MESSAGE

SECRET

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Date 120 APR 1987

HSC & SSC

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PAGE 001
TOR: 26 NOV 85

IN 9126499

SECRET 26 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

Declassified/Released on 12/18/88
under provisions of E.O. 12958
J. B. Rogers, National Security

SUBJECT: NSC MISSION

REF:

3. IF PILOT GETS AN EARLY START, HE CAN MAKE FULL ROUND-TRIP IN ONE DAY, ASSUMING NO DELAY IN OFF-LOADING HIS CARGO AT TABRIZ. THIS IS OBVIOUSLY HIGHLY DESIRABLE FROM OUR POINT OF VIEW.

4. SOME ADDITIONAL INFO THAT WOULD BE USEFUL:

- A. HOW FAR APART WILL FLIGHTS BE SPACED?
- B. HOW WILL PILOT PAY FOR REFUELING?
- C. WHAT IS PILOT/CREW NATIONALITY? WHAT DOCUMENTS WILL THEY BE TRAVELLING ON?
- D. AIRCRAFT CALL SIGN NEEDED IN ADDITION TO REGISTRATION AND OWNERSHIP DATA.

5. SORRY TO BE STRETCHING THIS OUT THIS WAY. OBVIOUSLY WISH TO HELP AND ARE STRUGGLING WITH HOW BEST TO DO SO WITH MINIMUM RISK OF ADVERSE ATTENTION. SINCE IT SEEMS EQUALLY IN OUR INTERESTS, HOPE TIME CONSTRAINTS YOUR END WILL BEAR A LITTLE MORE DELAY.

6. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET. DO

REVIEWED FOR RELEASE

120 APR 1987

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PAGE 001
TOR: 26 NOV 85

IN 9124350

S E C R E T 26 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

SUBJECT: NSC PROPOSAL

REF: DIRECTOR 628366

1. THIS IS AN INTERIM RESPONSE TO REF [REDACTED] HAS PROMISED
ADDITIONAL DETAILS SOONEST. WILL FORWARD WHEN RECEIVED.

2.

3. NO FILE. DECL OADR DRV HUM 4-02 AND SECRET.
END OF MESSAGE**SECRET**Declassified on 1/24/87
under provisions of E.O. 12958
12-2-2017 National Security

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Date 120 APR 1987

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PAGE 001
TOR: 26 [REDACTED] NOV 85

IN 9122501

S E C R E T 26 [REDACTED] NOV 85 STAFF

CITE [REDACTED]

TO: IMMEDIATE DIRECTOR.

SUBJECT: -DCM-MEETING WITH FOREIGN MINISTRY
FROM DCM

1. DCM [REDACTED] CALLED TO FOREIGN MINISTRY NOVEMBER 25 AND GIVEN TWO NOTES. [REDACTED] TRANSLATIONS PROVIDED IN PARAS 8 AND 9. NOTE ACTION REQUESTED PARA 7.

2. [REDACTED] SAID ESSENTIAL POINT WAS THAT THE PROPOSED OPERATION WAS SO DIRECTLY IN CONFLICT WITH KNOWN U.S. POLICY AND [REDACTED] POLICY THAT THE GOVERNMENT NEEDED THE WRITTEN ASSURANCES THAT THE OPERATION WAS FOR HUMANITARIAN REASONS AND WAS DESIGNED TO GAIN THE RELEASE OF AMERICAN CITIZENS. [REDACTED] HE SAID HE WANTED TO EMPHASIZE THAT WITH THESE ASSURANCES [REDACTED] HAD BEEN PREPARED TO APPROVE THE OPERATION. IT REMAINED PREPARED TO DO SO.

3. THE DCM SAID THAT WHILE THE DESIRE FOR WRITTEN ASSURANCES WAS UNDERSTANDABLE, [REDACTED] SHOULD UNDERSTAND THAT THE ACTIONS OF [REDACTED] ON NOVEMBER 22 AND 23 GAVE THE IMPRESSION TO SOME THAT [REDACTED] WAS SETTLING, ESPECIALLY SINCE MR. MCFARLANE HAD THE DISTINCT IMPRESSION THAT THE FOREIGN MINISTER HAD GIVEN HIM A GREEN LIGHT ON THE NIGHT OF THE 22ND. THE SUBSEQUENT INSISTENCE ON A NOTE HAD BEEN DISQUIETING. THE DEMAND FOR A SECOND NOTE CONVINCED THOSE MANAGING THE OPERATION THAT [REDACTED] DUCTED FOR THE HUMANITARIAN PURPOSE OF ASSISTING AMERICAN CITIZENS IN TROUBLE. [REDACTED] SAID HE COULD NOT MAKE A JUDGEMENT. MOREOVER, THE FOREIGN MINISTER WAS IN BRUSSELS.

5. DCM THEN NOTED THAT AMBASSADOR [REDACTED] WAS SCHEDULED TO CALL ON THE PRIME MINISTER AFTERNOON OF NOVEMBER 26. [REDACTED] SAID THAT IF U.S. STILL INTERESTED, THE MEETING WITH THE PRIME MINISTER WOULD PROVIDE EXCELLENT OPPORTUNITY TO GET PM'S AGREEMENT.

6. AMBASSADOR'S CALL IS SET FOR 4:30PM LOCAL TIME. IF NO [REDACTED] COOPERATION, WE BELIEVE MEETING OFFERS EXCELLENT OPPORTUNITY TO GET IT.

7. PLEASE ADVISE US AT OPENING OF BUSINESS NOV 26 IF THERE IS AN INTEREST IN REVIVING [REDACTED] COOPERATION AND IF SO ON WHAT BASIS.

8. NOTE 4952: "THE MINISTRY OF FOREIGN AFFAIRS PRESENTED COMPLIMENTS TO THE EMBASSY OF THE UNITED STATES OF AMERICA AND IN REFERENCE TO THE EMBASSY'S NOTES [REDACTED] OF NOVEMBER [REDACTED] AND TO OTHER COMMUNICATIONS IN OTHER CHANNELS ON THE SAME SUBJECT, CANNOT HELP BUT BE AMAZED BY THE MANNER IN WHICH THE MATTER WAS CONDUCTED BY NORTH AMERICAN AUTHORITIES."

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Date 120 APR 1987

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PAGE 003
TOR: 26 NOV 85

IN 9122501

AT 7:00 PM, THE CHARGE OF THE USA WAS RECEIVED BY [REDACTED]
THE FOREIGN MINISTRY WHO WAS SUPPOSED TO RECEIVE
FROM DCM
THE AGREED NOTE.

TOTALLY CONTRARY TO WHAT WAS ANTICIPATED, AND TO THE GREAT
SURPRISE OF THE MINISTER OF FOREIGN AFFAIRS, WHO IMMEDIATELY
RECEIVED THE CHARGE, A NOTE, TOTALLY DIFFERENT FROM WHAT WAS EXPECTED
EXPRESSING REGRET THAT THE GOVERNMENT [REDACTED] WAS UNABLE TO
FUFILL THE REQUEST F THE GOVERNMENT OF THE UNITED STATES FOR THE
HUMANITARIAN MISSION REFERRED TO IN EMBASSY NOTE NO [REDACTED] WAS
PRESENTED RIGHT IN THE MIDDLE OF FULL SCALE EFFORTS DESIGNED TO
PROVIDE THE ALREADY REFERRED TO "PROMPT AND URGENT" SOLUTION.

"IN THIS REGARD IT IS NECESSARY TO RECALL AND TO EMPHASIZE
CLEARLY AND SURELY THAT IT HAD BEEN CLEARLY AGREED THAT A PROMPT AND
URGENT RESPONSE WOULD BE GIVEN ON THE BASIS OF AN EMBASSY NOTE
MENTIONING THE REASONS FOR THE MISSION. SUCH A NOTE WAS NOT PROVIDED
AS EXPECTED.

"THE MINISTRY OF FOREIGN AFFAIRS [REDACTED] THE OPPORTUNITY TO RENEW
TO THE EMBASSY OF THE USA THE ASSURANCE [REDACTED] ITS HIGHEST CONSIDER-
ATION."

10. NO FILE. DECL OADR DRV HUM 4 [REDACTED] ALL SECRET
END OF MESSAGE

REVIEWED FOR RELEASE

Date 20 APR 1987

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ACTION

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PAGE 001

TOR: 26 JAN 86

IN 9700519

SECRET 25 JAN 86 STAFF

CITE

TO: [REDACTED] DIRECTOR.

NIACT

SUBJECT: PRESENT STATUS IN SAGA IN REGARDING MOVEMENT OF
TOW MISSILES

REFS: A. DIRECTOR 706805
B. DIRECTOR 705774

1. REQUEST [REDACTED] TRANSMIT R [REDACTED] TO [REDACTED]
2. NO FILE. DECL OADR DRV HUM [REDACTED]

END OF MESSAGE

ALL INFORMATION CONTAINED
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DATE 10-10-2001 BY 60322
10/10/2001

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Date 20 APR 1987

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PAGE 001

TOT: 25 JAN 86

DIRECTOR 706805

TOP SECRET
STAFF 25 DIRECTOR 706805
TO:

NIACT

SUBJECT: PRESENT STATUS IN SAGA REGARDING THE MOVEMENT OF TOW
MISSILES

REFERENCE: DIR 705774

1. AS REQUESTED IN ABOVE REFERENCE CASE CONFIRM DELIVERY OF
CABLE TO [REDACTED] - DCI

2. NO FILE. DECL OADR DRV H [REDACTED] 2. ALL TOP SECRET. >

ORIG: DDCI (MCMAHON [REDACTED])

CL BY [REDACTED]

COMMENT: CORRECTED COPY FOR CLASSIFIED BY LINE

END OF MESSAGE

TOP SECRET

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Date 20 APR 1987
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DDO [REDACTED]

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PAGE 001

TOT: 27 NOV 85

DIRECTOR 631112

SECRET

STAFF 27 DIRECTOR 631112

TO: IMMEDIATE

SUBJECT: NSC MISSION

REF DIRECTOR 631009

1. REF SUBJECT LINE IN ERROR. PLEASE CORRECT TO READ
NSC MISSION. SORRY FOR THE CONFUSION.2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.
ORIG: C/EUR-(CLARRIDGE); REL: CDO AT DIRECTION C/EUR).<
END OF MESSAGE

REVIEWED FOR RELEASE

Date 120 APR 1987

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INCOMING

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PAGE 001

TOR: 27 NOV 85

IN 9136272

SECRET 27 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR

SUBJECT: NSC OPERATION

REF:

1. ARRANGEMENTS HAVE BEEN MADE FOR AIRCRAFT TO TRANSIT
WITHOUT PILOT/COMPANY HAVING TO MAKE INDIVIDUAL PRIOR REQUEST.

NEEDS NOW IS ETA AND APPROPRIATE IDENTIFYING
DATA.

3. WE'RE READY WHEN YOU ARE.

4. NO FILE: DECL OADR DRV HUI

ALL SECRET.

END OF MESSAGE

SECRET.

REVIEWED FOR RELEASE

Date 120 APR 1987

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PAGE 001

TOT: 27 NOV 85

DIRECTOR 631009

SECRET

STAFF: 27 DIRECTOR 631009

TO: IMMEDIATE

SUBJECT: DCM MEETING WITH FOREIGN MINISTRY
TO DCM FROM C/EUR

1. OPERATION IS STILL ON. WE ARE REGROUPING.
WILL ADVISE ADDITIONAL DETAILS TOMORROW.

2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.>
ORIG: C/EUR (CLARRIDGE); REL: CDO AT DIRECTION OF C/EUR.<

END OF MESSAGE

SECRET

REVIEWED FOR RELEASE

Date 20 APR 1987

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TOT: 27 NOV 85

DIRECTOR 631010

SECRET
STAFF 27 DIRECTOR 631010
TO: IMMEDIATE

SUBJECT: MEETING WITH FOREIGN MINISTRY

FOR FROM C/EUR

REF

1. UNFORTUNATELY REF ARRIVED TOO LATE FOR ME TO RESPOND IN TIME FOR MEETING.

2. MY INABILITY TO RESPOND TO YOUR MESSAGE PRIOR TO THIS TIME IS A RESULT OF BUREAUCRATIC SNAFU OF THE LAST FOURTEEN HOURS. I WILL FILL YOU IN TOMORROW.

3. NO FILE. DECL OADR DRV HUM. ALL SECRET. >S
ORIG: C/EUR (CLARRIDGE); REL: CDO AT DIRECTION
C/EUR. <CDO COMMENT: CORRECTED COPY TO CORRECT LINE (FROM) C/EUR
AND LINE 2 PARA 2 MISSPELL

END OF MESSAGE

REVIEWED FOR RELEASE

Date 20 APR 1987

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C/EUR
INCOMING

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PAGE 001
TOR: 27 NOV 85

(N 9134711)

SECRET 27 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

NIACT DIRECTOR

SUBJECT: NSC MISSION

REFS: A. [REDACTED]
B. DIRECTOR 6282891. PLEASE ADVISE IF A FLIGHT IS PLANNED FOR LATE EVENING
27 NOVEMBER OR EARLY MORNING 28 NOVEMBER PER REFS.2. NEW OR RELATED SUBJECT: DIRECTOR 031009 IS SOMEWHAT
CONFUSING. DOES IT RELATE TO THE SAME INITIATIVE?

3. NO FILE. DECL OADR DRV HUM - 02 - ALL SECRET.

END OF MESSAGE

REVIEWED FOR RELEASE

Date 20 APR 1987

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Chapter 11 Footnote 27-1
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INCOMING

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PAGE 001
TOR: 27 [REDACTED] NOV 85

IN 91362728

S E R E T 27 [REDACTED] NOV 85 STAFF

CITE [REDACTED]

TO: IMMEDIATE DIRECTOR INFO IMMEDIATE [REDACTED]

NIACT [REDACTED]

SUBJECT: NSC OPERATION

REF: [REDACTED]

1. ARRANGEMENTS HAVE BEEN MADE FOR AIRCRAFT TO TRANSIT
WITHOUT PILOT/COMPANY HAVING TO MAKE INDIVIDUAL PRIOR REQUEST.[REDACTED] NEEDS NOW IS ETA AND APPROPRIATE IDENTIFYING
DATA.

2. [REDACTED]

3. WE'RE READY WHEN YOU ARE.

4. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.

HR COMMENT: RELAYED INFO IMMEDIATE NIACT [REDACTED] PER DIR 631683.

END OF MESSAGE

SECRET

REVIEWED FOR RELEASE
Date 20 APR 1987

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INCOMING

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PAGE 001

TOR: 27 NOV 85

IN 9138145

SECRET 27 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

SUBJECT: NSC MISSION

REFS: A. [REDACTED]
B. DIRECTOR 628366

1. [REDACTED]

2. USE OF [REDACTED] WOULD REQUIRE SOME COORDINATION, SO WE WILL
NEED SOME LEAD TIME.

3. NO FILE. DECL OADR DRV HUM 4-15 ALL SECRET.

END OF MESSAGE

REVIEWED FOR RELEASE
Date 20 APR 1987

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PAGE 001
TOT: 27 NOV 85

DIRECTOR 631532

SECRETSTAFF 27 DIRECTOR 631532
TO: IMMEDIATE

SUBJECT: QUESTION REGARDING REVIVING COOPERATION

REF: A. DIRECTOR 631010
B. DIRECTOR 631010

DCM FROM CHIEF/EUR

1. AS I EXPLAINED IN REF B, REF A ARRIVED TOO LATE FOR ME TO OBTAIN AN ANSWER FOR THE AMBASSADOR'S MEETING WITH THE PRIME MINISTER. FURTHER, I WAS UNABLE TO ADVISE YOU OF THIS BECAUSE OF CERTAIN GLITCHES ON THIS END THAT NEED TO BE REMEDIED.

2. THE FOLLOWING WERE THE INSTRUCTIONS WHICH I RECEIVED FROM THE NSC THAT I WAS UNABLE TO TRANSMIT TO YOU. THEY ARE STILL REPEAT STILL VALID FOR USE BY THE AMBASSADOR.

THE NSC ASKS THAT THE AMBASSADOR NOT RAISE THE ISSUE WITH PRIME MINISTER. HOWEVER, IF THE LATTER RAISES IT HIMSELF AND INDICATES THAT HE IS PREPARED TO COOPERATE, THE AMBASSADOR SHOULD SAY THAT HE WELCOMES THE OFFER BUT CANNOT ACCEPT IF IT INVOLVES A FORMAL NOTE. NO MATTER WHAT THE OUTCOME OF THE DISCUSSIONS, THE AMBASSADOR SHOULD END BY SAYING THAT HE WILL REPORT HIS POSITION TO WASHINGTON AND REQUEST INSTRUCTIONS."

3. PLEASE ASK THE AMBASSADOR TO PROVIDE ALL OF HIS REPORTING IN THIS CHANNEL AND WE WILL PASS EXPEDITIOUSLY TO THE NSC WHO IN TURN WILL INFORM APPROPRIATE INDIVIDUALS IN THE DEPARTMENT OF STATE.

4. LET ME PERSONALLY THANK YOU FOR ALL OF YOUR EFFORTS OF THE LAST SEVERAL DAYS. I KNOW IT HAS NOT BEEN EASY AND I ASSURE YOU THAT APPROPRIATE AUTHORITIES HERE ARE WELL AWARE OF WHAT YOU HAVE TRIED TO DO AND APPRECIATE IT.

5. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.
ORIG: C/EUR (CLARRIDGE); AUTH: ; REL: C/EUR (CLARRIDGE)
BY: [REDACTED]
END OF MESSAGE

SECRET

REVIEWED FOR RELEASE

Date 20 APR 1987

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PAGE 001

TOT: 27

NOV 85

DIRECTOR 631683

SECRET

STAFF 27 DIRECTOR 631683

TO: HEADQUARTERS RELAY.

SUBJECT: CABLE RELAY

1. PLEASE RELAY [REDACTED] TO IMMEDIATE
-WIACT [REDACTED] FOR INFO.2. NO FILE. DECL OADR DRV HUM 4-82. ALL SECRET.
ORIG: C/EUR (CLARRIDGE); REL: C/EUR (CLARRIDGE). CL BY
[REDACTED]

END OF MESSAGE

SECRET

REVIEWED FOR RELEASE

Date 120 APR 1987

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Chapter 11 Footnote 27"

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TOR: 29 NOV 85

IN 9156354

SECRET 29 NOV 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR INFO

SUBJECT: NSC OPERATION

REFS: A. DIRECTOR 631684
B.

1. BELIEVE PARA 2 REF B PROPOSAL WOULD NOT BE ACCEPTABLE
TO [REDACTED] AND EVEN RAISING IT IN PRINCIPLE COULD POSSIBLY
BE COUNTER PRODUCTIVE. WILL WAIT AND SEE HOW OUR NEXT CONVERSATIONS
GO.

2. NO FILE. DECL OADR DRV HUM 4-3 ALL SECRET.

END OF MESSAGE

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Date 28 APR 1987

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 ACTION

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PAGE 001
 TOR: 10 DEC 85

IN 9259251

SECRET 10 DEC 85 STAFF

CITE

TO: IMMEDIATE DIRECTOR.

RC/E

SUBJECT: NSC OPERATION

REF: DIRECTOR 631684

1. I'M AFRAID THE CONTINUED DELAY IN THIS MATTER MAY CAUSE SOME DECOMPRESSION IN OUR ARRANGEMENTS HERE, ESPECIALLY AS WE APPROACH THE HOLIDAYS. APPRECIATE MATTERS ARE NOT IN YOUR HANDS BUT WILL WELCOME ANY INDICATION YOU CAN PROVIDE AS TO WHERE THEY NOW STAND.

2. NO FILE. DECL OADR DRV HUM ALL-SECRET.

END OF MESSAGE

REVIEWED FOR RELEASE
 Date 20 APR 1987

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11-27

See Hearing Exhibit DRC 1-48

See Hearing Exhibit DRC 1-49

See Hearing Exhibit DRC 1-50

See Hearing Exhibit DRC 1-51 to 1-60

See Hearing Exhibit DRC 1-72

See Hearing Exhibit DRC 1-78

See Hearing Exhibit DRC 180

See Hearing Exhibit DRC 1-82

11-28

See Hearing Exhibit DRC 1-72

See Hearing Exhibit DRC 1-78

See Hearing Exhibit DRC 1-80

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See Hearing Exhibit CG-76

Chapter 10, Technique 50 Q1377

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Chapter 11 Factfile 107

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11-107

Director of Central Intelligence

Washington, D.C. 20505

INSPECTOR GENERAL
SI-99

23 December 1985

EYES ONLY--

The President
The White House
Washington, D.C. 20500Partially Declassified / Released on 6/10/1987
under provisions of E.O. 12356
by B. Reger, National Security Council

Dear Mr. President:

I had hoped to see you today and talk to you about three subjects--
 [REDACTED] efforts going on to get our hostages, [REDACTED]
 [REDACTED] I need to get to New York for Christmas
 and I thought I could give you the necessary information on paper. If you
 wish, you can reach me on a secure telephone either on Long Island through
 the 26th or Palm Beach after that.

[REDACTED]

I send you three other attachments:

- (1) [REDACTED]
- (2) A quick description [REDACTED] of effort to get our hostages
 released is attached for your information.
- (3) [REDACTED]
- [REDACTED]

Respectfully yours,

UNCLASSIFIED

William J. Casey

DELETIONS NOT RELATED
 TO DSC IRAN OPERATION (NR)-

[REDACTED]

REVIEWED FOR RELEASE
 Date 19 DEC 86

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23 December 1985

HOSTAGES

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(NR)

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(NR)

5. The Iranian Gorbaniyar, who the NSC staff believes arranged to release Weir, turned up in Washington over the week end. Ollie North put him in touch with us. He has 3 or 4 scenarios he would like to play out. He gave us information about [REDACTED] [REDACTED] It could be a deception to impress us. It is necessary to be careful in talking with Gorbaniyar. Still, when our man talked to him on Saturday and asked him if he would take another polygraph he said he would. We think this is worth doing for what we might learn. We want to prepare thoroughly for polygraphing him and because he is going to Switzerland for Christmas, it is understood that he will return here in a week or so for further discussions and for a polygraph.

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Chapter 11 Footnote 108

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11-108

PAGE 001
TOT: 25 JUL 84

DIRECTOR 023056

SECRET

STAFF 29 DIRECTOR 023056

TO:

4378

SUBJECT: FABRICATOR NOTICE - MANUCHEHR (GORBANIFAR)

subject of burrotics

1. MANUCHEHR ((GORBANIFAR)), AKA DJAFAR SOUZANI, JA'FAR SUZANI, MANOUCH SOUZANI, MANUEL PEREIRA, MANUCHEHR KORBANIFAR, NIKOLAOS KRALIS: DPOB: 9 MAY 1945, TEHRAN, IRAN; ALSO 1942 ISFAHAN: CIRCA 1944, 1938. CIT: IRAN. OCCUPATION: EXPORT/IMPORT BUSINESSMAN. FORMERLY MANAGING DIRECTOR ISRAELI-CONNECTED STAR LINE SHIPPING. FORMER IRANIAN ARMY OFFICER. CLAIMS TO HAVE WORKED FOR SAVAK. BELIEVED TO BE IN PERIODIC CONTACT U. S. INTELLIGENCE SERVICE AS WELL AS [REDACTED].

DESCRIPTION: MEDIUM HEIGHT, OVERWEIGHT, DARK EYES, THINNING DARK HAIR. ROUND FACE, WELL-DRESSED. NO KNOWN HEALTH PROBLEMS. DOES NOT SMOKE. PERSONABLE, CONVINCING, FAST TALKER. DIFFICULT TO KEEP TO SUBJECT AT HAND. SELF-PROCLAIMED WHEELER-DEALER SINCE HIS EARLY 20'S. SPEAKS EXCELLENT AMERICAN-STYLE ENGLISH. FAMILY: WIFE, AFSHARI MOORI CITY. BROTHERS: (1) ALI GORBANIFAR, [REDACTED] BORN 21 JUNE 1953, ALSO GIVEN AS 1952 ISFAHAN, AKA ALI ((SUZANI)). MAY TRAVEL ON GREEK PASSPORT; (2) REZA ((GORBANIFAR)), NO FURTHER INFORMATION.

2. PASSPORTS:

A. PORTUGUESE PASSPORT NUMBER 10656/80 IN NAME OF MANUEL PEREIRA ISSUED GOVERNO CIVIL DE BRAGA ON 3 OCTOBER 1980, VALID UNTIL 3 OCTOBER 1985.

B. GREEK PASSPORT NUMBER X-10723 IN NAME OF NIKOLAOS KRALIS ISSUED 27 OCTOBER 1981 IN STOCKHOLM, VALID UNTIL 26 OCTOBER 1986.

C. IRANIAN PASSPORT NUMBER 11652209 IN NAME OF JA'FAR SUZANI. AS OF 1982 SAID TO HAVE IRAQI PASSPORT IN ARAB NAME. CLAIMS TO BE IN POSITION TO PRODUCE GENUINE PASSPORTS OF VARIOUS NATIONALITIES.

3. ACTIVITIES:

A. PRIOR TO IRANIAN REVOLUTION SUBJECT HAD BEEN AN INFORMANT FOR IRANIAN INTEL AND CLAIMED TO HAVE ACCESS TO MANY SENIOR RANKING OFFICERS IN MILITARY AS WELL AS ACCESS TO IRANIAN UNDERWORLD CHARACTERS OF VARIOUS ILLICIT HUES. AS OF LATE 1970S WAS MEMBER OF TEHRAN KOMITE AND WAS ABLE TO TRAVEL FREELY BETWEEN EUROPE AND IRAN IN CONNECTION WITH HIS IMPORT/EXPORT BUSINESS. HE AND HIS BROTHERS, ALI AND REZA GORBANIFAR, BECAME IMPLICATED IN AN ABORTIVE COUP OF 9 JULY 1980 WHICH RESULTED IN CURTAILMENT OF HIS TRIPS TO IRAN. SINCE THAT TIME HE HAS BEEN LOCATED PRIMARILY IN PARIS WITH HIS BROTHER ALI BUT TRAVELS TO ATHENS, TURKEY AND IRAN FOR PURPOSE OF MEETING WITH OTHER EXILE LEADERS IN SUPPORT OF HIS "GROUP" IN IRAN. HE CLAIMED AT ONE TIME TO BE CLOSELY AFFILIATED WITH SHAHPOUR BAKHTIAR BUT LATER SAID HE AND HIS "GROUP" WERE

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TOT: 25 JUL 84

DIRECTOR 023056

MONITORING BAENTTAR, MADANI AND OTHER EXILE GROUPS.
B. FOR YOUR INFORMATION ONLY:

[REDACTED] IN JANUARY 1980 [REDACTED] INTRODUCED
HIM TO A [REDACTED] OFFICER. [REDACTED]
[REDACTED] AND THUS HE BECAME A [REDACTED] SOURCE
ON [REDACTED] MATTERS UNTIL ABOUT
FEBRUARY 1981. DURING THIS PERIOD HE WAS MET BY [REDACTED]
[REDACTED] AND PROVIDED SOME USEFUL INFORMATION ON
[REDACTED] AS WELL AS PERSONALITIES IN IRAN.

[REDACTED] HE HAD A HISTORY OF PREDICTING EVENTS AFTER
THEY HAPPENED AND WAS SEEN AS A RUMORMONGER OF OCCASIONAL
USEFULNESS. IN ADDITION, THE INFORMATION COLLECTED BY HIM
CONSISTENTLY LACKED SOURCING AND DETAIL NOTWITHSTANDING HIS
EXCLUSIVE INTEREST IN ACQUIRING MONEY.

E. FOR YOUR INFORMATION ONLY: ON 17 MARCH 1984 SUBJECT
MET WITH A [REDACTED] OFFICER IN FRANKFURT AND VOLUNTEERED INFORMATION
ON THE BEIRUT KIDNAPPING OF COS, BEIRUT AND ON A PLOT TO ASSASSINATE
PRESIDENTIAL CANDIDATES. HE SAID HE HAD STOPPED DEALING WITH
[REDACTED] IN 1981 BECAUSE [REDACTED] WAS NOT GOING TO ACT ON INTEL HE
WAS GIVING TO BRING DOWN THE KHOMENI REGIME. [REDACTED]
[REDACTED] ON 18 MARCH 84 HE
WAS [REDACTED] IN FRANKFURT TO DETERMINE VERACITY OF HIS
INFORMATION. HE FAILED EXAM ON SIGNIFICANT ISSUES OF FABRICATION
AND HE DELIBERATELY PROVIDED FALSE INFO ON BEIRUT KIDNAPPING AND
ASSASSINATION PLOT. AT REQUEST OF [REDACTED] HE WAS [REDACTED] ON 12
JUNE 84 AND AGAIN FAILED EXAM. HIS REACTIONS INDICATED HE WAS
PRACTICING DECEPTION ON ALL RELEVANT QUESTIONS CONCERNING PLOT TO
ASSASSINATE PRESIDENTIAL CANDIDATES.

3RD Agency

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SUBJECT SHOULD BE REGARDED AS AN INTELLIGENCE FABRICATOR REV. EMD FOR RELEASE

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Date 27 March 89

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TOT: 29 JUL 84

DIRECTOR 023056

AND A NUISANCE. ANY FURTHER APPROACHES BY SUBJECT OR HIS BROTHER
 ALI SHOULD BE REPORTED BUT NOT TAKEN SERIOUSLY.

5.

6. FILE:

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Intelligence Sources and Methods Involved
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Excluded from automatic downgrading and declassification

PARCEL 1P
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11/11/02
12/11/02
12/11/02
12/11/02

The President	
John M. Poindexter	
3	Oliver A. North
4	
5	
6	
ACTION	FILE
APPROVAL	INFORMATION
COMMENT	PREPARE REPLY
CONCURRENCE	RECOMMENDATION
DIRECT REPLY	RETURN
DISPATCH	SIGNATURE
REMARKS	

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WASHINGTON, D.C. 20505SYSTEM :
NSC 105-4011

January 4, 1986

N 1230

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MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH

SUBJECT: Covert Action Finding on Iran

Attached at Tab I is a memorandum from you to the President forwarding a Covert Action Finding (Tab A). This Finding is based on our discussions with Nir and my subsequent meeting with CIA General Counsel Stanley Sporkin.

At Sporkin's request, I talked to Bill Casey on secure re the Finding and the overall approach. He indicated that he thought the Finding was good and that this is probably the only approach that will work. He shares our goal of achieving a more moderate government in Iran through this process.

RECOMMENDATION:

That you sign the memorandum to the President at Tab I.

Approve _____

Disapprove _____

Attachments

- Tab I - Poindexter Memo to the President
- Tab A - Covert Action Finding

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THE WHITE HOUSE

WASH-DC 20503

OFFICE OF
SEC 100-40000

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MEMORANDUM FOR THE PRESIDENT

FROM: JOHN M. POINDEXTER

SUBJECT: Covert Action Finding Regarding Iran

This week, Prime Minister Peres of Israel secretly dispatched his special advisor on terrorism with instructions to propose a plan by which the U.S. and Israel can act in concert to bring about a more moderate government in Iran. The Israelis are obviously very concerned that the course of the Iran-Iraq war and the potential for further radicalization in Iran pose a significant threat to the security of Israel.

The Israeli plan is premised on the assumption that moderate elements in Iran can come to power if these factions demonstrate their credibility in defending Iran against Iraq and in deterring Soviet intervention. To achieve the strategic goal of a more moderate Iranian government, the Israelis are prepared to unilaterally commence selling military materiel to Western-oriented Iranian factions. It is their belief that by so doing they can achieve a heretofore unobtainable penetration of the Iranian governing hierarchy. The Israelis are convinced that the Iranians are so desperate for military materiel, expertise and intelligence that the provision of these resources will result in favorable long-term changes in personnel and attitudes within the Iranian government. Further, once the exchange relationship has commenced, a dependency would be established on those who are providing the requisite resources, thus allowing the provider(s) to coercively influence near-term events.

As described by the Prime Minister's emissary, the only requirement the Israelis have is an assurance that they will be allowed to purchase U.S. replenishments for the stocks that they sell to Iran. Since the Israeli sales are technically a violation of our Arms Export Control Act embargo for Iran, a Presidential Covert Action Finding is required in order for us to allow the Israeli sales to proceed and for our subsequent replenishment sales.

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The Covert Action Finding attached at Tab A provides the latitude for the transactions indicated above to proceed. If this Finding is signed, we would not interfere when the Israelis unilaterally commence sales and deliveries of TOW missiles during January, 1986. We would also be able to legally sell basic TOWs to Israel when they submit purchase orders for replenishing their own stocks. The Iranians have indicated an immediate requirement for 4,000 basic TOW weapons for use in the launchers they already hold. We would be expected to replace the Israeli stocks in less than 30 days. 4,000 missiles represent 1/3 of all available TOWs in Israel.

The Israelis and the Iranians with whom they are in contact agree that the continued holding of the five American hostages in Beirut will be immediately solved through commencement of this action. Prime Minister Peres had his emissary pointedly note that they well understand our position on making concessions to terrorists. They also point out, however, that terrorist groups, movements, and organizations are significantly easier to influence through governments than they are by direct approach. In that we have been unable exercise any suasion over Hizballah during the course of nearly two years of kidnappings, this approach through the government of Iran may well be our only way to achieve the release of the Americans held in Beirut. It must again be noted that since this dialogue with the Iranians began in September, Reverend Weir has been released and there have been no Shia terrorist attacks against American or Israeli persons, property, or interests.

The Israelis have asked for our urgent response to this proposal so that they can plan accordingly. They note that the current crisis in the Middle East provides a rationale for a significant purchase of TOWs and expedited delivery on our part. In order to provide an answer to Prime Minister Peres, the Finding at Tab A should be discussed privately with Secretaries Shultz, Weinberger, Director Casey and Attorney General Meese. If, based on their input, you decide to proceed, the Finding should be signed and held.

Recommendation:OKNo

That you agree to meet with Secretaries Shultz and Weinberger, Director Casey and Attorney General Meese on this matter as soon as possible.

Attachment
Tab A - Covert Action Finding

Prepared by:
Oliver L. North

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TAB

A

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11-143+145

Saturday, December 7, 1985 (10:00 - 11:00 AM)Meeting in Residence with President, Shultz, Weinberger,
McMahon, Regan, McFarlane, PoindexterMonday, January 6, 1986 (9:30AM)NSB with Vice President, Regan and Fortier
President signed first FindingTuesday, January 7, 1986 (12:20 - 1:00 PM)Meeting in Oval Office with President, Vice President,
Shultz, Weinberger, Casey, Meese, Regan, PoindexterThursday, January 16, 1986 (5:00 - 7:30PM)Meeting in JMP's office with Weinberger, Meese, Casey
and Sporkin (CIA General Counsel)Friday, January 17, 1986 (9:30AM)NSB with Vice President, Regan, Fortier
President read memo and signed final Finding (first
Finding superceded)January 7, 8, 9, 16: Discussion of Hostages during NSB

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Chapter 11 Fatigue 172

TO: C/NE [REDACTED]

FROM: [REDACTED]

13 January 1985 6092

SUBJECT: [REDACTED]

CL-0821-200

11-172

BACKGROUND:

[REDACTED] is a 40-year-old male citizen of IDN B, who first became of interest to [REDACTED] during March 1984 by providing [REDACTED] with information regarding the kidnapping of [REDACTED] citizen. However, a March 1984 [REDACTED] administered to [REDACTED] on this topic showed deception. [REDACTED] again became of interest when he claimed to have information of a plot to assassinate [REDACTED] political figures during the Fall of 1984. However, a June 1984 [REDACTED] administered to [REDACTED] on this topic showed deception.

PURPOSE:

[REDACTED] was requested by NE Division to determine [REDACTED]'s truthfulness regarding his information of or involvement with: IDN C, IDN E terrorists, IDN D, and negotiations to release [REDACTED] hostages. [REDACTED] declared that [REDACTED] was not to be advised of the [REDACTED] results, confronted, or interrogated.

PROCEDURE:

During 11 January 1985 between the hours of 1500 and 2000, [REDACTED] was administered a [REDACTED] by examiner [REDACTED] while at a local hotel in Washington, D.C. [REDACTED] remained in the hotel room test site during the entire test. The English language was used.

RESULTS:

Deception indicated to thirteen of the fifteen relevant questions. Inconclusive to the remaining two.

DETAILS:

[REDACTED] accompanied by [REDACTED] arrived on time and appeared to be in good physical health. He said he was not taking any medication. [REDACTED] explained to [REDACTED] that testing would be administered in four phases.

CL BY [REDACTED]
DECL BY CADR [REDACTED]
DRV FROM [REDACTED]

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DATE 16 Apr 87

Page Two

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Phase I questions dealt with [redacted]'s information of or involvement with IDEN C. Phase I relevant questions and [redacted]'s answers appear below:

U.S.

A. Has IDEN C personally told you he is willing to cooperate with [redacted] intelligence? ANSWER: Yes.

B. Are you trying to deceive us about IDEN C's actual degree of influence with IDEN E? ANSWER: No.

Testing showed deception to question B. Question A is inconclusive due to inconsistent reactions.

Phase II questions covered [redacted]'s information of or involvement with IDEN B terrorists. During pretest discussions of question F (aware of threats against [redacted], [redacted] provided very basic and "new" information about terrorist's current plans targeted against [redacted] (subsequent [redacted] testing on this "new" information showed deception to all relevant questions; please see "Phase V"). Also during the pretest discussion, [redacted] said that in a conversation with IDEN F that IDEN F bragged that "my group" (IDEN C) assassinated IDEN L in [redacted] and "we are very happy." Unable to locate their real target (IDEN H), the hit team chose IDEN L. Phase II relevant questions and [redacted]'s answers appear below:

- C. Are you trying to deceive us in any way about the source of the information regarding the three-man team (The IDEN G three-man hit team)? ANSWER: No.
- D. Regarding European-based IDEN B terrorist, have you deliberately fabricated any of the information you have provided? ANSWER: No.
- E. Did IDEN F tell you the Hamburg Team (The IDEN G three-man hit team) killed IDEN L? ANSWER: Yes.
- F. Other than what you have told us, are you aware of ongoing plans targeting [redacted] persons or interests for acts of terrorism you are not telling us about? ANSWER: No.

Testing showed deception to questions C, D, E, and F.

Phase III questions focused on [redacted]'s information of or involvement with IDEN D. Phase III relevant questions and [redacted]'s answers appear below:

- G. Are you trying to deceive us about your claimed contact with IDEN D? ANSWER: No.

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H. Are you trying to deceive us when claiming IDEN D and senior officials have said to have agreed to cooperate with [REDACTED]? ANSWER: No.

Testing showed deception to question H. Testing was inconclusive to question G due to inconsistent reactions.

Phase IV questions dealt with [REDACTED]'s information of or involvement with the negotiations to release [REDACTED] hostages. Phase IV relevant questions and [REDACTED]'s answers appear below:

1. Did you have prior knowledge that the [REDACTED] ^{U.S.} hostages would not be released at the conclusion of the negotiations? ANSWER: No.
- J. Did you and IDEN I cooperate together to deceive [REDACTED] in the hostage deal? ANSWER: No.
- K. Are you under control of any official organization of the IDEN B government? ^{Iran} ANSWER: No.
- L. Did you independently plan to deceive [REDACTED] during the hostage negotiations? ANSWER: No.

Testing showed deception to questions I, J, K, and L.

Having completed the four phases of testing, and realizing that just about everything [REDACTED] declared has been fabricated, [REDACTED] returned to the "new" information about terrorist's current plans targeted against [REDACTED]. While discussing this topic, [REDACTED] was occasionally evasive and often reluctant to answer questions.

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Page Four

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Not only was [redacted] occasionally evasive and often reluctant to answer questions, he contradicted himself. During the beginning discussion, [redacted] said that [redacted] and [redacted] terrorist were present at this meeting, but 10 minutes later when recapitulating this story, [redacted] failed to mention the presence of [redacted] terrorist.

Phase V questions focused on [redacted]'s claim to provide [redacted]

The following relevant questions and [redacted]'s answers appear below:

- M. Last Sunday and Monday did you meet with Palestinians to talk about their desires to target [redacted] interest in IDEN J? ANSWER: Yes.
- N. Last Sunday and Monday did you agree with these Palestinians to deliver, in part, [redacted] ANSWER: Yes.
- O. Are you lying to me about any aspect of the meeting [redacted] with terrorists? ANSWER: No.

Testing showed deception to questions M, N, and O.

At the completion of Phase V testing, the [redacted] exam was amicably terminated.

Distribution:

Orig - [redacted]

1 - C/NL [redacted]

1 - [redacted]

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Chapter 11 T-4-12 175

11-175

ROUTING AND RECORD SHEET

SUBJECT: Ghorbanifar Polygraph Examination		EXTENSION		NO.
FROM: Chief, Near East Division		DATE		13 January 1986
TO: 10 Officer (building)	DATE	RECEIVED	FORWARDED	OFFICER'S INITIALS
1. DDO Registry				
2. C 6089				
3. ADDO				
4. DDO				
5. DDO				
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14. C6089 (4376)				
15. CI/N 2359/A				

Attached is a memorandum concerning Ghorbanifar's polygraph examination along with the operator's report.

Ghorbanifar is a fabricator who has deliberately deceived the U.S. Government concerning his information and activities.

It is recommended that the Agency have no dealings whatsoever with Ghorbanifar.

3 3 B
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DDO/NE
HAND CARRY

REVISED FOR RELEASE
Date: 16 April 87
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UNCLASSIFIEDThe Director of Central Intelligence
Washington, D.C. 20505Chapter 11
Tactics 137

C 184

National Intelligence Council

NIC 00672-87
13 February 1987

11-187

MEMORANDUM FOR: Carroll L. Hauver
Inspector GeneralFROM: Charles E. Allen
National Intelligence Officer for Counterterrorism
Chief, Intelligence/Counterterrorism Center

SUBJECT: Addendum to Statement of NSC Initiative on Iran

1. At the suggestion of the Deputy Inspector General, I am providing additional details on certain aspects of my involvement in the Iranian initiative. These additional details are being offered as a result of my recalling in greater detail certain aspects of the initiative and of having my memory refreshed through review of papers and discussions with other Agency officials involved in the initiative.

2. I now recall that on 13 and 26 January 1986 Manucher Ghorbanifar, the Iranian intermediary involved in the Iranian initiative, made comments to the effect that he could obtain money for the Contras if the Agency supported him in thwarting terrorist attacks [REDACTED]. Even though a review of my notes confirms that he made statements to this effect, I did not include those comments in the memoranda I prepared because they seemed both far fetched and trivial. [REDACTED]

[REDACTED] From his perspective, he said [REDACTED] would be happy to receive such help and would reward him handsomely as well as be willing to supply funds to "Ollie's boys in Central America". Because my objective was to collect terrorist-related information that Ghorbanifar had on Iran, Syria, and Libya, the statements that funds could be collected for the Contras seemed so preposterous that I did not give them any consideration whatsoever. I did record in-depth all information that he was willing to provide on terrorists, terrorist groups, or terrorist plots. [REDACTED]

Again, my focus in discussions with Ghorbanifar were directed at terrorist activity. Funding for the Contras in Central America was not a consideration, even remotely. I only recalled the comments made by Ghorbanifar after talking with the Inspector General's staff in late November.

CL BY [REDACTED]
DECL OADR

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3. I also wish to clarify for the record a question put to me during my interview with you and other members of your staff in November. At that time, and in a subsequent memorandum prepared by a member of your staff, it was noted that Richard Kerr, Deputy Director of Intelligence, initially thought that he recalled I had told him as early as May 1986 that I believed funds were being diverted from the Iranian initiative to the Contras in Central America. I discussed the Iran initiative with Mr. Kerr several times during the summer and fall of 1986, essentially in the context of the problems of operational security of the initiative. I want to state emphatically, however, that the earliest I could have made comments relating to possible diversion of funds to the Contras to Mr. Kerr was in late August 1986.

4. It is my understanding now from discussions with Mr. Kerr that he believes that our conversation on the initiative and my alluding to possible diversion of funds to the Contras likely occurred in the August timeframe, although he does not recall a specific date. I want to reemphasize that I had not reached any judgments in the May timeframe that funds were being diverted to anti-Sandinista forces in Central America. It was only in late August 1986 that I began to suspect that funds were going to Central America.


Charles E. Allen

cc: OGC
D/OCA

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Chap 8 11 Footnote 1288

Attachment A

11-188

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[REDACTED]

pushed Iran to support
C; believes G. will
arrange to have M.
actually killed

3 connections to Libya:

Syrian rel. the
Great; can fund in
Contras; can fund
good guys in Iran
- \$6 M. down payment
- 10 million barrels of
oil

* Need to buy trust -- false
fabrication one example
~~one~~ has arrangement
with C -- can work
& dev. insight inside
Libyan intel operations
& network

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**Wednesday
January
1986**

Partial: 1987 22 June 1987

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Week Beginning
JanuaryChapter 11, Footnote 201
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9	John C. Gurey	9		9	
9:15	C. E. B. shop (Lyle)	9:15		9:15	
9:30	GER. LEWIS Rm 3124	9:30		9:30	
9:45	NECB	9:45		9:45	
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1:30	COOP	1:30		1:30	Stanley Sparkin
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2	COOP WMSR	2		2	
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3	Chair George	3		3	
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2nd page 11, Footnotes 143, 14
N 7718 214

11-214

Saturday, December 7, 1985 (10:00 - 11:00 AM)

Meeting in Residence with President, Shultz, Weinberger,
McMahon, Regan, McFarlane, Poindexter

Monday, January 6, 1986 (9:30AM)

NSB with Vice President, Regan and Fortier
President signed first Finding

Tuesday, January 7, 1986 (12:20 - 1:00 PM)

Meeting in Oval Office with President, Vice President,
Shultz, Weinberger, Casey, Meese, Regan, Poindexter

Thursday, January 16, 1986 (5:00 - 7:30PM)

Meeting in JMP's office with Weinberger, Meese, Casey
and Sporkin (CIA General Counsel)

Friday, January 17, 1986 (9:30AM)

NSB with Vice President, Regan, Fortier
President read memo and signed final Finding (first
Finding superceded)

January 7, 8, 9, 16: Discussion of Hostages during NSB

1/23/88

N 7718

4374

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25
12.15
8

CHAPTER 12. ARMS SALES TO IRAN:
THE UNITED STATES TAKES CONTROL

.

12-13

See Hearing Exhibit OLN-69A

Chapter 12, Footnote 24

12-24

UNCLASSIFIED

1500 - 1700 Aug 67

Q1476

- letter to G. N. C. Gorda
- Mr.

- 508 already delivered

- Part I:

1. Provide small range of Intel

2. Learning that some sources can

3. 501 can lead to

4. 1000 T-100

Basic Intel Package

size. means () from time

already
done

1973

UNCLASSIFIED

Ch 12 # 28

— OLN Tape
 London Mtg
 1/22/86

UNCLASSIFIED

Jack Taylor
 House Select Comm - Iran
 10/20/87

Voices of OLN, Seard, Ghorbanifar, Na

Tape I, Side I [Direct Copy of Q4 N 2106
 70423001 EWT]

12-28

There is discussion about an American operation involving 8,200 U.S., and further discussion of Ayatollah Khomeini.

Partially Declassified/Released on 3 FCB88
 under provisions of E.O. 12356
 by K Johnson National Security Council

North says "Charlie is not in this operation and I don't want Charlie ^{to sitting right} here... we've got boxes, and I don't want to open all the ^{other} boxes here. I ref to other clandestine ops." I...

North: "Cause Charlie is not in this operation and I don't need Charlie, you know, I'm sitting right here in this room... and we've got boxes, and I don't want to open all the other boxes here..."

4963

Long Pause

G: "I think this is, Ali, the best ^{Chance} ~~time~~ we (garbled), we never will find such a good time ~~again~~ ^{over} get such good

UNCLASSIFIED

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money (garbled), uh, we do everything, we do hostages (laughs) free of charge, we ~~will~~ do all persons free of charge, ~~at~~ Central America free of charge, American business free of charge, [REDACTED], everything (laughs) free."

OW: "I I would like to see, ... some point this, uh, idea on the [REDACTED] thing, and maybe, you know, if there is some future opportunity, in Central American, you know there is a lot of Lybian, a lot of ~~Lybian~~ ^{with them} and Iranian activity ^{with them} Nicaraguans."

G: "I know all this we can have them, we need someone ^{what} to fulfill, somewhat to get (garbled)"

Nu: [Immediately interrupts] "OK ~~let's~~ ^{let's} get back to ~~business~~ ^{the} operation. So, you get the 1000, the ^{uh, 1000} \$10 m delivered to us, 10 days later? 7 days later?"

Secord: "I, my best guess is ^{about or 10} 9 days after ~~the~~ the money, we start to move."

Nu: "We start to move, the first shipment, we start to move."

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12-34

See Hearing Exhibit OLN-69A

12-39

UNCLASSIFIED

- Aug 4 [redacted] : Cope Q1501

Feb 4 - [redacted] - [redacted] to [redacted]

Feb 5 - [redacted] - [redacted]

Feb 6 - [redacted] - [redacted]

Feb 7 - (Late) SAT 9/11 Depart for Israel

US2853

US2535

2707/3200v

1999 - N28135

All [redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

[redacted] call Kelly 9/93

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

[redacted] [redacted] [redacted]

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[redacted] [redacted] [redacted]

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12-40

4 Feb 86

UNCLASSIFIED

1100 - Call from Nir

- Gorta going to bank to make
Xenon tomorrow Q1505

5 Feb 86

1030 - Call from [REDACTED]

[REDACTED] telling me Gorta was

- Gorta called 1655

- Gorta called that Re prob

- [REDACTED] in old [REDACTED] [REDACTED]

- [REDACTED] [REDACTED] 926 taught

- Gorta had 16-11 of his boss

- [REDACTED] [REDACTED] for [REDACTED]

- [REDACTED] [REDACTED] [REDACTED]

- [REDACTED] [REDACTED] [REDACTED]

- Wants instructions on what

- to do.

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12-41

CLASSIFIED AT TIME OF PUBLICATION.

Chapter 12, Footnote 42

FILE: 0000

TO WHITE HOUSE COMMUNICATIONS AGENCY

UNCLASSIFIED

N 12117

[REDACTED]

MSG FROM: BOLD --CPA Y6: B3MP --CPB 02/13/66 21:30:47

TO: B3MP --CPB

see reply to note of 00/31/65 13:26

-- SPCST --

NOTE FROM: OLIVER BOSTE

Subject: PATIENT BLIND CASE

Operation RESCUR is now under way. 1000 items are currently sent to from Sananton Alabama. Copp is sent to Ben Gullon

5/6/87

12-42

400

UNCLASSIFIED

PAGE 04A

UNCLASSIFIED

FILE: WYR [REDACTED] WHITE HOUSE COMMUNICATIONS AGENCY

N 12111

Apt to conduct final briefing for his flight crew who arrived today and commenced ten flights on the two latest 747s. All 1000 items will lift off from Holly 170 at 1000 on Saturday. 500 will be delivered to Memphis and the other 500 will be delivered to New Orleans. The flight crew will be briefed on the flight plan and the second trip/leg/stop/location/participants w/ him at this city per 12.41C.

Second

500 will go to Boulder 2200 on Friday vice There.

Copp, North plan to meet in Frankfurt on Tues. along w/ one of Wynn's people to wire up hotel room for etc. Carrying the baggage to the airport. The baggage will be carried by the baggage handlers. Customs/Airport security in Europe. If all goes according to plan, going the will release 25 91000lb shortly after 1000 on Sat w/ his flight crew. Hopefully on Friday. This is keep our schedule for releasing the aircraft on for Sunday, Feb. 23. Something to pray for at church that day.

PRIVATE BLANK PAGE

5/6/87

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

--- SECRET ---

UNCLASSIFIED

401

12-44

See Hearing Exhibit OLN-271

~~TOP SECRET~~

UNCLASSIFIED

Ch. 12 #58

N 1547

Copp: 2/27/86 1020Partially Declassified/Released on 3 FEB 88
under provisions of E.O. 12356
by K. Johnson, National Security Council

161455Z Feb 86.

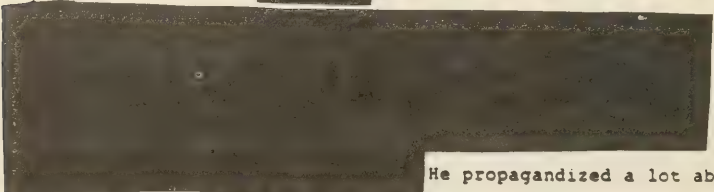
12-58

707 has signaled success and due to land -- Ben Gurion in a few minutes.

Met with Nir and Gorba this a.m. for on
agonize over the two soldiers, while Gc
matters and how he can stay in the cent
man. Nir then left for Tel Aviv. Subsequently,

THIS PAGE (A) (T)
Copied For Mark
3/5/87
Bn

I met with [redacted] for about one hour. Abe did beautiful job of
rug merchanting with [redacted] and also helped Gorba's ego a lot.



He propagandized a lot about
Iranian fighting spirit and we assured him Americans respected
Iranian people. He emphasized need for quick meeting at Kish and
said he would possibly, repeat, possibly surprise us by getting
some hostages released before meeting.

[redacted] suggest you make contingency plan to accommodate
early release (i.e., as early as Sunday). So, bottom line is on
to Kish ASAP to seize the potential opening now created.

Regards, Richard. BT

1128 237- 707 Back at R.G. Ref.

TOP SECRET

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Gordon got 13, 20/8/missile

Get 200/missile Given 350/missile to Golan

4965
N.S.
121

12-59

See Hearing Exhibit OLN-272

7147: 0079

UNITED STATES COMMUNICATIONS AGENCY

N 12122

.. 2000 ..

UNGLASS

REC 004.0 000.0 TO: 000.0 --CPWA 02/27/06 16:02:23

TO: 090100 070500Z
FM: 000000 070500Z

02/27/06 16:02:23

... reply to note of 02/27/06 00:50

— 11056 —

NOTR 700M: 000707 MCPA00LAMB

Subject: Was are things?
Roger Orlin, well doesn't the world only have how many times you have kept a
substance of interest and temptation to politics, especially if they did - such
Secretary of State, but they the late 20th century. But the situation was
terrible. I'm not sure, but I do not hold cardholder in blue repeat and
the fact is, you know I do not hold cardholder in blue repeat and
seriously, I did to have of apparent authority.

[illegible]

Grove 1419.

• How are things?

UNCLASSIFIED

507

12-60

more from: OLIVER NORTH

NOTE FROM: OLIVER BODIN
Subject: How are things?

Just returned last night from city.

Just returned last night from my 3rd meeting with the meeting group to organize the need for direct contact with these people rather than continue the process by which we deal through intermediaries like the CIA or the British. Because CIA did not provide a translator for the meeting, we used Gilbert White, an IRLT who runs the European operation for our Nicaragua resistance support activities. He accepted no that I did have someone who could provide an objective account.

brought the motion, Gottheilfabr intentionally distorted such of the translation and had to be corrected by our men on occasions so numerous that finally had them translate both ways. Assessment of city & Government reached as follows:

[illegible]

1. contact
2. contact
3. contact
4. contact
5. contact
6. contact
7. contact
8. contact
9. contact
10. contact
11. contact
12. contact
13. contact
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99. contact
100. contact

little bit of it could be so each week. I believe that we may well be on the verge of breakthrough - not only on the hostage/terrorism but on the anti-nuclear issues. We need only to go to this meeting which has to be held in the next few days and we can release the hostages and start a process. Have briefed both JRP and C&S to release the hostages and start a process. North embassy along lines above, believe this enthusiastic reaction to go early next of - or maybe this weekend - but don't have to do this. This happens. Have not told JRP that this note is being sent. Help. Jim has been very difficult conversation. Note, but fatigued again. Both

02/27/06 20:10:51

* Reply to note of 02/27/86 16:02

TE PPH: OLIVER WORTH

Subject: Recharged

Give the name of this article, set v/ copy, JHP. Clare George
I will have now agreed to print on. Believe we are indeed headed in the right
direction. Just finished lengthy session w/ JHP he indicated that he has
named substance to you and has given no data that you are not valid.

in endeavor to sched. city so that there do not conflict but noted to JAP that it was their call as to date of city. JAP rec'd may in Second via secure since we are uneasy. We again reaffirmed that once we have met we do shall have a very pleasant surprise. Rich & I believe that they may be attempting to release one of the hostages early. Rich also indicated that we intercept at the city and be released. Rich could you run with God willing

Chapter 12
Footnote 61

ALAS

UNCLAS

403

[illegible]

1900, 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909, 1910, 1911, 1912, 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926, 1927, 1928, 1929, 1930, 1931, 1932, 1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 25

12-61

Chapter 12, Footnote 62

From NSRCH --CPLA
To: NSOLN --CPLA

Date and Time 02/27/86 21:37:48

*** Reply to note of 02/27/86 20:11

UNCLASSIFIED

N 41077

1363

NOTE FROM: ROBERT MCFARLANE

Subject: Exchanges

No sweat GI. I just sent a separate note about not shar9ing with John because I had forgotten to put it in the other note. And I fully understand the narrow path he is trying to walk between those who want to go balls out for the wrong reasons (Regan) and those who don't want to do it at all (GPS and Cap). So play

it any way you must. As for my commitments don't worry about them; set it up any way you wish that it works for them. I only mentioned it to John to ask that he try to give me a heads up soon so that I can cancel--which I am glad to do--with some grace.

12-62

Processing: 22 June 1987
under provisions of E.O. 12050
by B. [unclear] Security Council

1205

UNCLASSIFIED

AKW026704

OLWOF 60123-5
ADG 4/2/87

UNCLASSIFIED

12-70

Document

N 7671 - 7672

Deleted in

its Entirety

Partially Declassified / Released on 29 June 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

1336

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UNCLASSIFIED

Chapter 12 FOUO 11

D/DCI
OUTGOING
.....

12-71

PAGE 001
TOT: 25 JAN 86

DIRECTOR 705774

TO: IMMEDIATE DIRECTOR 705774

NIACT ISLAMABAD.

Partially Declassified/Released on 12 JUL 1987
under provisions of E.O. 12356
by S. Reger, National Security Council

1586

SUBJECT: PRESENT STATUS IN SAGA REGARDING THE MOVEMENT OF TOW MISSILES

PLEASE PASS TO DCI FROM DDCI EYES ONLY AT START OF HIS DAY AND PLEASE CONFIRM DELIVERY.

1. A NEW DIMENSION HAS BEEN ADDED TO THIS PROGRAM AS A RESULT MEETING HELD IN LONDON BETWEEN NORTH AND GHORBANIFAR. WE HAVE BEEN ASKED TO PROVIDE A MAP DEPICTING THE ORDER OF BATTLE ON THE IRAN/IRAQ BORDER SHOWING UNITS, TROOPS, TANKS, ELECTRONIC INSTALLATIONS, AND WHAT HAVE YOU. THE GAME PLAN IS FOR A SEGMENT OF THE MAP DEPICTING A PART OF THE FRONT TO BE PASSED TO SHOW OUR BONA FIDES AND THAT WILL START IN TRAIN A SERIES OF EVENTS. WHEN THE MOVEMENT OF THE MISSILES TAKES PLACE, THE REMAINDER OF THE MAP WILL BE PASSED AND THAT WILL PROMPT ALL THE RECIPROCAL ACTION ON THE PART OF THE IRANIANS. TIMING IS FOR THE FIRST SEGMENT OF THE MAP TO BE DELIVERED LEAVING HERE TOMORROW, SATURDAY, 25 JANUARY. THEN ON THE 9TH OF FEBRUARY, A THOUSAND TOWS WITH THE REMAINDER OF THE MAP AS THE FIRST TRANCHE OF A 4,000 COMMITMENT.

2. WE ARE TO GET THE TOWS FROM THE US ARMY AND ARRANGE TRANSPORT OVERSEAS.

3. EVERYONE HERE AT HEADQUARTERS ADVISES AGAINST THIS OPERATION NOT ONLY BECAUSE WE FEEL THE PRINCIPAL INVOLVED IS A LIAR AND HAS A RECORD OF DECEIT, BUT, SECONDLY, WE WOULD BE AIDING AND ABETTING THE WRONG PEOPLE. I MET WITH POINDEXTER THIS AFTERNOON TO APPEAL HIS DIRECTION THAT WE PROVIDE THIS INTELLIGENCE, POINTING OUT NOT ONLY THE FRAGILITY IN THE ABILITY OF THE PRINCIPAL TO DELIVER, BUT ALSO THE FACT THAT WE WERE TILTING IN A DIRECTION WHICH COULD CAUSE THE IRANIANS TO HAVE A SUCCESSFUL OFFENSE AGAINST THE IRAQIS WITH CATAclysmic RESULTS. I NOTED THAT PROVIDING DEFENSIVE MISSILES WAS ONE THING BUT WHEN WE PROVIDE INTELLIGENCE ON THE ORDER OF BATTLE, WE ARE GIVING THE IRANIANS THE WHEREWITHAL

UNCLASSIFIED
TOP SECRET

COPY # 001

ATTN #131

~~TOP SECRET~~
UNCLASSIFIED

PAGE 002
TOT: 25 [REDACTED] JAN 86

DIRECTOR 705774

FOR OFFENSIVE ACTION.

4. POINDEXTER DID NOT DISPUTE OUR RATIONALE OR OUR ANALYSIS, BUT INSISTED THAT IT WAS AN OPPORTUNITY THAT SHOULD BE EXPLORED. HE FELT THAT BY DOING IT IN STEPS THE MOST WE COULD LOSE IF IT DID NOT REACH FULFILLMENT WOULD BE 1,000 TONS AND A MAP OF ORDER OF BATTLE WHICH IS PERISHABLE ANYWAY.

5. WE ARE NOW PROCEEDING TO PREPARE THAT MAP AND DELIVER IT TO NORTH AT 1100 SATURDAY MORNING WASHINGTON TIME.

6. I HAVE READ THE SIGNED FINDING DATED 17 JANUARY 1986 WHICH GIVES US THE AUTHORITY TO DO WHAT THE NSC IS NOW ASKING. FENCE. IN SPITE OF OUR COUNSEL TO THE CONTRARY, WE ARE PROCEEDING TO FOLLOW OUT ORDERS AS SO AUTHORIZED IN THE FINDING.

7. NO FILE. DECL OADR DRV HUM-4-82. ALL TOP SECRET. >
ORIG: DDCI (MCMAHON 1:55). [REDACTED]
END OF MESSAGE

UNCLASSIFIED
~~TOP SECRET~~

Chapter 12, Toomote 72

UNCLASSIFIED

12-72

10/28/86

Leuzen - [REDACTED]

2035

Vince - 2-1222

□ Cruz - see haine killed
 38 Dougherty - 2/2/80

c. 2/2/80

- Mtg w/ Second: Albert

CJ: J.

- Albert talked to [REDACTED]

- Situation is not right for
 mtg in K. H.

[REDACTED]

- Write Russell's

□ Wiz - Tell G. to get this

meeting 3/12 KSP

- as way we can dialy this
 much further.

- G. pull out all stress.

4221

UNCLASSIFIED

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Chapter 12, Footnote 73

7 March 1986

12-73

MEMORANDUM FOR: Chief, NE Division

FROM: DC/NE

1 0613

SUBJECT: ~~_____~~ KSC Operation

1. Sorry to miss you. Ghorbanifar insisted on another meeting after which the Keesh Island matter will be set. We understand ~~_____~~ that he is again promising 100 Phoenix missiles, which of course we will not honor. North is prepared to stonewall in Paris. There will be no more "slices of salami" handed out. However, our other friend, NEER, will also be present. We sense strongly ~~_____~~ that he is unilaterally providing additional arms as an incentive to the Keesh Island. I have briefed Ed Juchniewicz on the above. I tried to get into McMahon, but he did not have time. I will be back Saturday PM and will give you a ring. What we may be facing is evidence that ~~_____~~ does not have the authority in Tehran to make it work. B

written, Dec 1986, case on 12 Jan 1988
under per sec E.O. 12333
by P. [unclear] Security 6

4222

UNCLASSIFIED

2 IIN #186 / 508

UNCLASSIFIED

7 NARS

12-78

- You told me + a ... 3/1/78
- Discussion that this is by diff. people
- 1st negative. The 1st negative - 2048
- No interest to get you out of
- Go back to page.
- We just want to
- Very interested in the opportunity and possibly for you
- Our interests in well known instances, ...
- We cannot verify that there is anyone else in GATs aware or even interested in talking to USA
- This is a ...
- Dix is not a member for disc. at this time. Reg. by high lvl Political Decision in USA.
- Decision is ...
- Up to you primary purpose is on ... - not political change.
- new proposal
- Ideas ...
- There is something to ...

12/1/78
underpin ...
by P. ...

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4223

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Chapter 12 #79

NO DATE

12-79

1. [REDACTED] WAS VERY RELAXED AND SAID THAT EVERYTHING WAS ARRANGED. HE SAID HE MIGHT GO TO TEHRAN IMMEDIATELY AFTER OUR DISCUSSIONS TO Y MAKE SURE EVERYTHING STAYS ON TRACK.

2. [REDACTED] WANTED TO KNOW WHO WOULD BE GOING TO TEHRAN. TOLD HIM MACPARLAND, BOBB GOOD AND O'NEIL. PLUS A CONRO SPECIALIST. HE THOUGHT THAT WOULD FINE.

3. HE TOLD HIM THAT HE DID NOT WANT TO GO INTO DETAILS AS THIS WAS GOOD SHOW AND HE WOULD EXPLAIN EVERYTHING THIS AFTERNOON. HE DID SAY THAT GOOD HAD DRAWN UP A SCHEDULE THAT HE HOPED WOULD BE ACCEPTABLE TO THE OTHER SIDE. HE EMPHASIZED TO HIM THAT IF THIS THING IS TO WORK HE MUST PLAY A KEY WHICH HE WILL EXPLAIN TO HIM IN GREAT DETAIL THIS AFTERNOON. HE SEEMED PLEASED WITH ALL THIS. HE WAS GOING TO CALL TEHRAN IMMEDIATELY AFTER HE LEFT TO EXPLAIN THAT WE WERE LINING UP ALL DUCKS.

4. HE SPENT SOME TIME TELLING US THAT HE MUST MENTION NOTHING ABOUT ISRAEL IN OUR MEETINGS AS THIS COULD SUCK THINGS. HE SAID MAYBE HE COULD MENTION ON LEAVING THAT THEY COULD RELY ON [REDACTED] ON THIS CASE. (WH) HOW MUCH THIS IS GOING TO COST THE ISRAELIS.

5. HE ALSO SAID THAT WHILE IN TEHRAN HE HAD TALKED TO THE CONSERVATIVE LEADERS LINE NO. 3. [REDACTED]

[REDACTED] ACCORDING TO OUR RECORDS. [REDACTED] SAID THAT HE HAD ARGUED WITH THEM THAT THIS WAS A GREAT OPPORTUNITY. THEY ARE GOING TO GET INTO POWER AFTER KHOMEINI GOES. SO LET SOMEONE ELSE MAKE THE OPENING TO THE AMERICANS.

6. [REDACTED] ALSO BRIEFED CERTAIN MILITARY LEADERS ON THIS PROJECT TO GET SUPPORT. NEEDLESS TO SAY THEY WERE ENTHUSIASTIC.

7. [REDACTED] FOLLOWING A SUCCESSFUL MEETING, WHO WILL HANDLE FOLLOW UP ON THE IRANIAN SIDE THIS CAUGHT HIM BY SURPRISE AND HE SAID HE THOUGHT IT WOULD HAVE TO INVOLVE BOTH RAPSENJANI FROM LINE THREE AND SOME PEOPLE FROM LINE ONE. HE SAID GIVEN THIS HE THOUGHT IT ESSENTIAL THAT THE GROUP ALSO MEET WITH PEOPLE FROM LINE ONE WHICH HE COULD ARRANGE. AN ASIDE HE SAID THAT KUSAVI IS BIG PROBLEM IN THAT HE REALLY DOESN'T LIKE YOU GUYS.

Partially Declassified/Released on 12 July 1997
under provisions of E.O. 12356
by B. Reger, National Security Council

1398

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Date 11 DEC 86

ATTN #0251

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9. WE TOLD HIM THAT WE WANTED TO STRAIGHTEN OUT THE DIFFICULTY OVER THE DIRECT PHONE CALLS TO [REDACTED] TOLD HIM THAT THE CALL WAS INSTIGATED BY [REDACTED] AND NOT US AND IN OUR REPLY WE TOLD [REDACTED] THAT WE CONSIDER THE DEAL TO BE AS ENUNCIATED IN FRANKFURT. [REDACTED] SAID THAT PROBLEM SOLVED AS IT WAS HE WHO TOLD [REDACTED] TO CALL US INDEPENDENTLY TO CHECK ON HIM AND HIS HONESTY VIA ANOTHER CHANNEL. THUS ENDED THIS CONVERSATION.

10 THERE WAS SOMETHING IN HIS CONVERATION WHICH LED US TO BELIEVE HE INDICATED TWO TRIPS TO TEHRAN.

11. WE HAD TO LISTEN TO AT LEAST A HALF AN HOUR OF TALK ON HOW CAREFULL WE MUST BE IN DEALING WITH THESE GUYS AND HOW WE NEEDED SUCH A PERSON AS HIM TO GUIDE THE WAY HE KNEW HOW TO HANDLE THEM.

12. HE ALSO PROPOSED THAT WE USE PROFITS FROM THESE DEALS IN AND OTHERS TO SPEND [REDACTED] WE COULD DO THE SAME WITH NICARAUGRA.

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CIN # 0251, page 2 of 2

UNCLASSIFIED PAGE 07A

Chapter 12
Footnote 82

[REDACTED]

MSG FROM: NSOLN --CPSA TO: NSCNS --CPSA 03/10/86 21:10:24
Tel 8908 --CPSA
see reply to note of 03/10/86 09:00

NOTE FROM: OLTP22 MSG#
Subject: New's It Colby
Per request from JF old friend Gorbachev, met w/ him in Paris on Saturday. He
acted w/ a long speech for how we should be trying to cut him out, how important
he is to the process and how he cd deliver the hostages if only we cd
accept the pot w/ some little tid-bits -- like the arms, etc. After his
speech I allowed as how he was not getting the message, but that I wd
reiterate:

-- The hostages are a serious impediment to serious govt-to-govt discussions
and I recall want be resolved before we can discuss any further transactions.
We recall want be resolved before we can discuss any further transactions.
concern as ready to go to Rab or anywhere else to discuss terms of actual
meeting. -- The hostages are going to be released during or before this
becoming a reality, a problem facing Iran -- that of Soviet intervention was
problem. We can help -- and I am willing to because a free, independent Iran is
in our best interests. Unless the hostage issue is resolved quickly and
favorably, U.S./Iranian cooperation in opposing the Soviets is out of the
question.

Much more said in this regard, but you have the message. Bob Gates has
assumed a place out of place on the Soviet threat -- most of which is real.

Whether this title Iranian are coming up with will have any effect, but it
does have the merit of being mostly the truth -- and the speaking about which
their allyship people expressed great concern during the Frankfurt meeting the
week before. We shall see.

(1977) UNCLASSIFIED

8 July 87

12-82

UNITED STATES COMMUNICATIONS AGENCY

UNCLASSIFIED

Finally, on one aspect: of very much like to have one-or-one / you in the next few days if at all possible. I have been advised by MHC that they have cut orders for me to go to 2d MARCH this summer. This is a situation (like on many others) of opportunity and risk. If, quite frankly don't know what to do about the situation, but will have to take good deal of action in the next few weeks. Of very much appreciate if good counsel on the opportunity/liability of such an assignment and advice on how to proceed. Warm regards and many thanks to both you and many for the beautiful flowers.

HSO P8081 B3RC8 --CP80A 701 B80LS --CP88A 03/10/66 09:00:00
 T01 B30LS --CP8A

... Reply to note of 03/10/06 00:50

NOTE FROM: ROBERT MC/ALAN
Subject: How's it going?
Hope! easy thanks.

TO: NSRCS --CPBA
FROM: BFOLE --CPBA
TO: NSRCS --CPBA
02/11/06 07:23:30

... Reply to note of 03/10/00 22:10

NOTE FROM: OLIVER NORTH

My first response on J's account re North's personal situation is that I like the phrase "a question as to how to make it all happen, but it wd be good to discuss w/ pos. strong friends" - now blocked again on my school. Looking forward to it. Is re the North probly be in a state of the flash and and as basically carrying out war on the org since he is still the only access we have to the Iranian political leadership. It wd be useful, I believe, for you to talk w/ George Caro, the "boss". I can expect, to absorb our concern that we may be dealing only w/ those who have an interest in arm sales and their own personal financial goals and believe the "humanist" are coming" approach is about the only way to broaden the perspective, so as to do well to suppress other concerns if they can be suppressed.

Can someone clarify if J's letter is in reply to some other message. This so that we can determine that if we were able to get to the point of such an approach. If w/ this message we might be able to make some headway. Will advise. If you wd like to meet w/ George, pls let me know and I will arrange. Warm regards. Scott B

Mes's I Geology
 MSG FROM: --CPRA TO: MSGLB --CPRA
 TO: MSGLB
 03/10/86 22:19:29

*** Reply to note of 03/10/06 21:10

~~NOTE FROM: ROBERT SCARABLAS~~
~~Subject: How is it going?~~
~~Rever Olly, I guess I'm a little puzzled about the Iranian wiring diagrams.~~

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Chapter 12, Footnote 83

UNCLASSIFIEDFrom: NSRCM --CPA
To: NSOLN --CPUA

Date and time 03/10/86 22:14:24

*** Reply to note of 03/10/86 21:10

N 41078

1364

~~SECRET~~

NOTE FROM: ROBERT MCFARLANE

Subject: How's It Going?

Roger Ollie. I guess I'm a little puzzled about the Iranian wiring diagram. From whom are we getting the word concerning a meeting in the Gulf? Is Gorba involved in that dialogue or is that info coming through the Israelis? It strikes me that it is probably OK to keep Gorba in the dark--to the extent that is possible to do so if there is another channel. Gorba is basically a self-serving mischief maker. Of course the trouble is that as far as we know, so is the entire lot of those we are dealing with. The Soviet threat is the strategic menace and I would guess that they would like to avoid having Russians in Iran. But it is going to take some time to get a feel for just who the players are on the contemporary scene in Teheran. So the sooner we get started the better.

I would be glad to meet to talk about the Marine Corps. I will be having lunch with Paul Nitze this Friday. How about right after that at about 2:00pm in your office?

Frankly, I would expect the heat from the Hill to become immense on you by summer. Consequently it strikes me as wise that you leave the White House. At the same time, there will be no one to do all (or even a small part of what) you have done. And if it isn't done, virtually all of the investment of the past five years will go down the drain.

How's this for a self-serving scenario: 1. North leaves the White House in May and takes 30 days leave. 2. July 1st North is assigned as a fellow at the CSIS and (lo and behold) is assigned to McFarlane's office 3. McFarlane/North continue to work the Iran account as well as to begin to build other clandestine capabilities so much in demand here and there. Just a knee jerk musing.

12-83

8 JUL 87
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 BY 8 JUL 87 100000-100000-100000

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OLW00F Box 34-6
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EXCLUSIVE CLASSIFICATION

Chapter 12
Footnote 85, 86

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12-85+86

NIC 01512-86
21 March 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

1. Subject called on 20 March 1986 from Nice to inform me that he had just returned from a meeting with Adam. He had briefed Adam on his trip to Tehran where he had met with some senior Iranian Government officials on "the principal matter." He stated that he had talked to the Prime Minister, Speaker of the National Assembly Rafsanjani, [REDACTED]

[REDACTED] These discussions had been very stressful but some useful developments had occurred. A report was being sent by express mail to Mr. Goode in Washington. Enclosed in this report were some technical requirements from the Iranian military. He was hopeful that a meeting of the principals could be conducted in the near future.

2. [REDACTED]

3. According to Subject some significant changes should be occurring within the Iranian Government in the next ten days. These changes are very interesting and have been carefully pre-planned. In Subject's view, this would create a somewhat different environment for the initiative of Mr. Goode but the problem was workable. He noted that Ayatollah Khomeini himself remained very ill.

4. Subject stated that he had provided several photographs to Adam including one of the next Prime Minister. He also requested that I return to him the originals of all material he had provided me at meetings in January. He asked that they be sent to him via an associate who would be coming to Europe around 10 April. I assured him that I would provide him with the originals.

Partially Declassified/Released on 4 July 1987
under provisions of E.O. 12366
by S. Reger, National Security Council

CL BY [REDACTED]
DECL OADR

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SECRET//NOFORN//NOCONTRACT//ORCON

1399

Source: MEMPHIS, MISSISSIPPI, OFFICE
 DEPARTMENT OF JUSTICE
 UNCLASSIFIED

5. Adam, in a conversation with me later on 20 March, confirmed that he had met with Subject and that the proposals made by Subject were "somewhat" promising. However, the sequence of events that were to occur during the next meeting with the principals was not acceptable. This could be worked successfully, however. Adam stated that Subject needed the help and support of all parties at this critical time, pointing out that Subject remains the central thread in this entire initiative. He noted that Subject in this latest meeting lacked his usual optimism and zeal. He said he found Subject almost totally exhausted. Adam also claimed that Subject urgently needs financial assistance because of arrangements that he has made to cover the indebtedness of others. He asserted that he was making arrangements to assist Subject at least temporarily.

6. Adam stated that Subject had clearly lost some credibility with "key" associates because of his inability to deliver on the issue of terrorism. He asserted that Subject needs assistance in working on terrorism matters and was at a loss why more support was not forthcoming on the part of the United States. He thought there was "a tendency" on the part of the US to state that Subject could not deliver. We then ensured that this was a "self-fulfilling" prophecy by not providing him with assistance. He urged that the US Government be more responsive in support of Subject, again noting that he remains the best hope for a successful US initiative.

7. Comment: I tend to agree with Adam that we should work with Subject concurrently both on "the main problem" as well as on assisting him in terrorism, regardless of whether we find his information at this stage credible. He remains the single link to significant Iranian leaders who may be able to accomplish a major Administration objective.

Charles E. Allen

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 DEPARTMENT OF JUSTICE/DOJ/DOJ/DOJ

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Chapter 12
Footnote 89

12-89

NIC 01715-86
2 April 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

1 0167

1. On Sunday, 30 March 1986, Subject endeavored to contact me but I was away from home when the call came. Later in the afternoon, Adam called to state that he wished to relay to me a message from Subject. Adam stated that Subject would arrive here Thursday afternoon, that he would remain here during the day Friday, but would leave again for Europe either Friday evening or Saturday morning.

2. Adam stated that Subject wanted reassurance that the US side would not attempt to bypass him in dealing with his fellow countrymen. He stated that Subject would seek specific assurances during this visit.

B 3. Adam then stated that he felt it was unwise to try to eliminate Subject from the negotiations because of the hold that Subject has over the [redacted]. The [redacted] according to Adam, reports all such direct contacts to Subject. Adam stated that he recognized Subject was not always truthful but that, with patience, the principal matter could be resolved by keeping Subject involved as originally envisioned. Adam stated that he intended to call Mr. Coole and would be explaining to him his views on the matter. In response to Adam's comments, I stated that my responsibility was to collect the facts, not to get involved in detailed strategy planning.

Charles E. Allen

Official Use Only
 Date: 12/16/1988
 By: [redacted]
 [redacted]

CL BY [redacted]
DECL OADR

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12-90

23 May

0 2075

- Camp Joe Barton (Texas)
- Bill Harvey
- Help for DEF

4225

NR - Costa Rica

Thursday - leaving Friday

- Trying to get things on track before he comes to D.C.

- Trying for city 2 weeks from now

- needs by Tues:

- Price data as 240

- Timing & acquisition

- try to add costs of

- need to know residuals

- Price per unit (Cox)

- Price is 2000's Price

- how much is left for use by Israel's

- Francis wants to figure out how to handle the water

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Partially Declassified/Released on E.O. 12356

Meeting with [redacted] of E.O. 12356
by B. Reger, National Security Council

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REVIEWED FOR RELEASE

Date 14 JAN 1987

12-95

Ch-12 #9

1. One of key issues that came up which Gorba alleges made an understanding difficult was his missing reports to us. He said that he had turned over to adam a two page farsi report which listed all the the Iranian demands and what they were prepared to do. He wrote the first report because he wanted to be sure that he got everything right. he said that he also wrote a five page report in english which was more detailed. these were supposed to have been sent via dhl along with the parts list. Goode told gorba that all he got was the parts list. gorba said that he wrote the reports on the plane from Tehran. he gave the reports to adam in london who said that he would send them to us. there seems to be only two conclusions either the reports don't exist. in which case maybe adam and gorba are playing games with us, or the reports exist and after reading them, adam decided that the demands were too great and we would not agree to them, therefore he shortstopped the reports.

2. One of Gorba's most interesting offers was to offer us [redacted] passports for the trip. each one would cost [redacted] the passports would be genuine and the price includes a genuine drivers license and a bank account.

3. there was the problem of the venue. Gorba said that they can not receive us in kish. the problem is that the desalinization plant has broken down, the buildings have not been used since the revolution. Also, no planes have landed on the strip in two years. he said that a meeting on kish would place great logistical problems on them in tehran. Mate; in the last phone conversation between [redacted] and [redacted] spoke of the meeting still being held in kish. we read to consider possibility of tehran, but wanted them to re-examine kish and bandar -abbas. we said that plane must be with us for connco. gorba said that would be no problem. we also said that we would

probably want to arrive in bandar abbas. for some reason, gorba insists that adam told him that we would be using [redacted] passports. we told him that this gave us some heartburn, but not to worry. we would take care of the documentation if even if it meant being [redacted]. gorba said that he will need some details on the plane, tail number registration etc. we told him it would be 707 and not trace [redacted] to us. we will devise way of getting him the tail number.

4. we discussed the schedule in some detail. we proposed arriving about 7-8 days after the money is deposited. this would give us time to have the planned load of spares positioned in europe. we then haggled for hours about what was included and what would be negotiated in tehran. we stuck to our position that once the release takes place we would order plane to launch and it should arrive in bandar abbas with 24 hours. it would then turn around and bring in the rest of the spares. we are tentatively committed to deliver the 3,000 volswagons about 10 days later. gorba pressed for new additions, the new batteries we said were no longer in inventory. the radars we would discuss in tehran as they would have to be shipped by ship anyway. gorba kept insisting that we bring some of spares with us and we kept insisting that we wouldn't although a small sample is an option.

5. they agenda for the discussion with the other side in tehran will include syria, [redacted] and the soviet union. we will give him a short brief on the USSR on 4 april which he will convey to [redacted] and company

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is discussing the whole transaction we insisted that he had to play the key role in making it all work. after long haggling, he agreed to present the schedule to us as outlined by us. we have got take a present, in addition to korans, it might be a good idea to task all the spare parts for one unit with us. and present this as a present. we told gorba to check with them about the availability of functioning test and calibration equipment and the technical skill to use the equipment. our observation is that they have not successfully fired a hawk for some time and in fact have had numerous misfires.

6. possibly the best indication that we might be getting somewhere is that towards the end, gorba began discussing his cut. goode told him that he could add on whatever he thinks right for his cut to the final price. he said that he had spent 300,000 dollars already to grease the skids etc.

it would appear that he now feels that the deal is entering its final stages.

7. gorba stated that there is considerable pressure on the iranians to do something because the time frame within which they can deliver on friends. they feel that fighting is going to break out between the hizbullah and the syrian army at any time. gorba insists that Iranian syrian relations are very bad at the moment and will definitely get worse. he claims that iran has stopped delivering oil to syria. believe he said that deliveries stopped about 34 days ago.

8. gorba claims that the Iranian side is devoting considerable time to this. the whole thing is being masterminded by rafsenjani behind the scenes. if the transaction goes, the plan is to have khomeni issue a fatwa against the taking of hostages. they also have a large number of people they wish us to brief. we must get him to discuss more of his military contacts during his last trip. he warned us about the prime minister who may be our primary senior contact. he said that he is a line whom he represents do not like or trust us and we must be aware of that at all times. he thought there was a chance that rafsenjani would at some point put in an appearance, as he will be following everything closely on his own part will want us to meet with reps from the conservative line, particularly farisi.

9. it is still apparent that they have not given much thought to how a continuing relationship will be maintained. gorba tried to answer him but he was not able to cover up the basic truth that they hadn't gone that far yet.

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CIIN 0513 (page 2)

Chapter

12-102

12-102

N28835

UNCLASSIFIEDSENSITIVERELEASE OF AMERICAN HOSTAGES IN BEIRUT

Background. In June 1985, private American and Israeli citizens commenced an operation to effect the release of the American hostages in Beirut in exchange for providing certain factions in Iran with U.S.-origin Israeli military materiel. By September, U.S. and Israeli Government officials became involved in this endeavor in order to ensure that the USG would:

- not object to the Israeli transfer of embargoed materiel to Iran;
- sell replacement items to Israel as replenishment for like items sold to Iran by Israel.

On September 13, the Israeli Government, with the endorsement of the USG, transferred 508 basic TOW missiles to Iran. Forty-eight hours later, Reverend Benjamin Weir was released in Beirut.

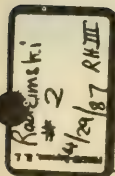
Subsequent efforts by both governments to continue this process have met with frustration due to the need to communicate our intentions through an Iranian expatriate arms dealer in Europe. In January 1986, under the provisions of a new Covert Action Finding, the USG demanded a meeting with responsible Iranian government officials.

On February 20, a U.S. Government official met with [REDACTED] -- the first direct U.S.-Iranian contact in over five years. At this meeting, the U.S. side made an effort to refocus Iranian attention on the threat posed by the Soviet Union and the need to establish a longer term relationship between our two countries based on more than arms transactions. It was emphasized that the hostage issue was a "hurdle" which must be crossed before this improved relationship could prosper. During the meeting, it also became apparent that our conditions/demands had not been accurately transmitted to the Iranian Government by the intermediary and it was agreed that:

- The USG would establish its good faith and bona fides by immediately providing 1,000 TOW missiles for sale to Iran. This transaction was covertly completed on February 21, using a private U.S. firm and the Israelis as intermediaries.
- A subsequent meeting would be held in Iran with senior U.S. and Iranian officials during which the U.S. hostages would be released.
- Immediately after the hostages were safely in our hands, the U.S. would sell an additional 3,000 TOW missiles to Iran using the same procedures employed during the September 1985 transfer.

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Partially Declassified/Released on 10/19/87
under provisions of E.O. 12356
by B. Baker, National Security Council



1434

~~UNCLASSIFIED~~~~TOP SECRET~~SENSITIVE

In early March, the Iranian expatriate intermediary demanded that Iranian conditions for release of the hostages now included the prior sale of 200 PHOENIX missiles and an unspecified number of HARPOON missiles, in addition to the 3,000 TOWs which would be delivered after the hostages were released. A subsequent meeting was held with the intermediary in Paris on March 8, wherein it was explained that the requirement for prior deliveries violated the understandings reached in Frankfurt on February 20, and were therefore unacceptable. It was further noted that the Iranian aircraft and ship launchers for these missiles were in such disrepair that the missiles could not be launched even if provided.

From March 9 until March 30, there was no further effort undertaken on our behalf to contact the Iranian Government or the intermediary. On March 26, [REDACTED] made an unsolicited call to the phone-drop in Maryland which we had established for this purpose. [REDACTED] asked why we had not been in contact and urged that we proceed expeditiously since the situation in Beirut was deteriorating rapidly. He was informed by our Parsi-speaking interpreter that the conditions requiring additional materiel beyond the 3,000 TOWs were unacceptable and that we could in no case provide anything else prior to the release of our hostages. [REDACTED] observed that we were correct in our assessment of their inability to use PHOENIX and HARPOON missiles and that the most urgent requirement that Iran had was to place their current HAWK missile inventory in working condition. In a subsequent phone call, we agreed to discuss this matter with him and he indicated that he would prepare an inventory of parts required to make their HAWK systems operational. This parts list was received on March 28, and verified by CIA.

Current Situation. On April 3, Ari Gorbani-fahr, the Iranian intermediary, arrived in Washington, D.C. with instructions from [REDACTED] to consummate final arrangements for the return of the hostages. Gorbani-fahr was reportedly enfranchised to negotiate the types, quantities, and delivery procedures for materiel the U.S. would sell to Iran through Israel. The meeting lasted nearly all night on April 3-4, and involved numerous calls to Tehran. [REDACTED]

[REDACTED] A Parsi-speaking CIA officer in attendance was able to verify the substance of his calls to Tehran during the meeting. Subject to Presidential approval, [REDACTED] was agreed to proceed as follows:

- By Monday, April 7, the Iranian Government will transfer \$17 million to an Israeli account in Switzerland. The Israelis will, in turn, transfer to a private U.S. corporation account in Switzerland the sum of \$15 million.

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~~TOP SECRET~~

3

SENSITIVE

- On Tuesday, April 8 (or as soon as the transactions are verified), the private U.S. corporation will transfer \$3.651 million to a CIA account in Switzerland. CIA will then transfer this sum to a covert Department of the Army account in the U.S.
- On Wednesday, April 9, the CIA will commence procuring \$3.651 million worth of HAWK missile parts (240 separate line items) and transferring these parts to [REDACTED]. This process is estimated to take seven working days.
- On Friday, April 18, a private U.S. aircraft (707B) will pick-up the HAWK missile parts at [REDACTED] and fly them to a covert Israeli airfield for prepositioning (this field was used for the earlier delivery of the 1000 TOWs). At this field, the parts will be transferred to an Israeli Defense Forces' (IDF) aircraft with false markings. A SATCOM capability will be positioned at this location.
- On Saturday, April 19, McFarlane, North, Teicher, Cave, [REDACTED] and a SATCOM communicator will board a CIA aircraft in Frankfurt, Germany, enroute to Tehran. [REDACTED]
- On Sunday, April 20, the following series of events will occur:
 - U.S. party arrives Tehran (A-hour) -- met by Rafsanjani, as head of the Iranian delegation.
 - At A+7 hours, the U.S. hostages will be released in Beirut.
 - At A+15 hours, the IDF aircraft with the HAWK missile parts aboard will land at Bandar Abbas, Iran.

Discussion. The following points are relevant to this transaction, the discussions in Iran, and the establishment of a broader relationship between the United States and Iran:

- The Iranians have been told that our presence in Iran is a "holy commitment" on the part of the USG that we are sincere and can be trusted. There is great distrust of the U.S. among the various Iranian parties involved. Without our presence on the ground in Iran, they will not believe that we will fulfill our end of the bargain after the hostages are released.

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UNCLASSIFIEDTOP SECRETSENSITIVE

-- [REDACTED]

Gorbanifahr specifically mentioned that Qhadhaffi's efforts to "buy" the hostages could succeed in the near future. Further, the Iranians are well aware that the situation in Beirut is deteriorating rapidly and that the ability of the IRGC to effect the release of the hostages will become increasingly more difficult over time.

-- We have convinced the Iranians of a significant near term and long range threat from the Soviet Union. We have real and deceptive intelligence to demonstrate this threat during the visit. They have expressed considerable interest in this matter as part of the longer term relationship.

-- [REDACTED]

Send notes

-- The Iranians have been told that their provision of assistance to Nicaragua is unacceptable to us and they have agreed to discuss this matter in Tehran.

-- We have further indicated to the Iranians that we wish to discuss steps leading to a cessation of hostilities between Iran and Iraq.

[REDACTED]

-- The Iranians are well aware that their most immediate needs are for technical assistance in maintaining their air force and navy. We should expect that they will raise this issue during the discussions in Tehran. Further conversation with Gorbanifahr on April 4, indicates that they will want to raise the matter of the original 3,000 TOWs as a significant deterrent to a potential Soviet move against Iran. They have also suggested that, if agreement is reached to provide the TOWs,

[REDACTED]

-- The Iranians have been told and agreed that they will receive neither blame nor credit for the seizure/release of the hostages.

[REDACTED]

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UNCLASSIFIED~~TOP SECRET~~

5

SENSITIVE

-- The residual funds from this transaction are allocated as follows:

- \$2 million will be used to purchase replacement TOWs for the original 308 sold by Israel to Iran for the release of Benjamin Weir. This is the only way that we have found to meet our commitment to replenish these stocks.
- \$12 million will be used to purchase critically needed supplies for the Nicaraguan Democratic Resistance Forces. This materiel is essential to cover shortages in resistance inventories resulting from their current offensives and Sandinista counter-attacks and to "bridge" the period between now and when Congressionally-approved lethal assistance (beyond the \$25 million in "defensive" arms) can be delivered.

The ultimate objective in the trip to Tehran is to commence the process of improving U.S.-Iranian relations. Both sides are aware that the Iran-Iraq War is a major factor that must be discussed. We should not, however, view this meeting as a session which will result in immediate Iranian agreement to proceed with a settlement with Iraq. Rather, this meeting, the first high-level U.S.-Iranian contact in five years, should be seen as a chance to move in this direction. These discussions, as well as follow-on talks, should be governed by the Terms of Reference (TOR) (Tab A) with the recognition that this is, hopefully, the first of many meetings and that the hostage issue, once behind us, improves the opportunities for this relationship.

Finally, we should recognize that the Iranians will undoubtedly want to discuss additional arms and commercial transactions as "quids" for accommodating [redacted] Nicaragua, and Iraq. Our emphasis on the Soviet military and subversive threat, a useful mechanism in bringing them to agreement on the hostage issue, has also served to increase their desire for means to protect themselves against/deter the Soviets.

RECOMMENDATION

That the President approve the structure depicted above under "Current Situation" and the Terms of Reference at Tab A.

Approve _____

Disapprove _____

Attachment

Tab A - U.S.-Iranian Terms of Reference

UNCLASSIFIED

Chapter 12, Footnote 119

CLASSIFIED

15 Apr 86

12-119

2107

(4227)

Call from Charlie

2138 - ~~Call~~ Call from Nir:① TH-2 Day - 26 Apr
ST

Shouldn't mention

② TH-2
Shouldn't mention
- End of story③ Case Simon figure for
Pacir - Aircraft, then as
- Aircraft, then as
- Aircraft, then as

UNCLASSIFIED

Chapter 12
Footnote 125

UNCLASSIFIED

Do NOT RETR

NIC 01937-86
16 April 1986

12-125

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with Subject

1. Subject called again on 14 April to state that he was at a restaurant near his hotel because he was convinced the British were conducting electronic surveillance of his room.

2. Subject stated that after his last trip to Tehran, he had prepared a report in Farsi that set forth Iran's understanding of the agreement being worked out with the US. He said he gave this report to Adam who in turn was to turn it over to Mr. Goode. In the statement (which has never been received by Mr. Goode), the Iranian elements working on the agreement identified four issues to be discussed with the Americans: (1) the threat from the Soviets in the north; (2) [REDACTED]

(3) the increasing pressure by the Syrians upon the Lebanese Hizballah; and (4) discussion of ways to develop a long-term relationship between the US and Iran. Subject expressed regret the US side did not have this document in its original Farsi.

3. Subject claimed that he had told the [REDACTED] that the US delegation might travel utilizing [REDACTED] passports to Tehran. He told Tehran that the delegation, including the air crew, would total 10-11 individuals. Subject also told the [REDACTED] the Americans would come in their own plane and that the delegation would be headed by Robert. Subject claimed that he also told the [REDACTED] that the US would not deliver the Hawk spare parts or discuss any substantive issues until the hostages were released. According to Subject, he emphasized to the [REDACTED] that all the hostages must be released as soon as the Americans arrived.

4. According to Subject, the [REDACTED] stated his side would be willing to meet with the Americans and he wanted to know if Robert would be carrying a message from the US President to the President of Iran and if a similar Presidential message would be prepared for delivery to the Prime Minister. Subject also stated that the [REDACTED] expected that another letter would be brought by the Americans from the Speaker of the House or head of the US Senate. If these types of formal documentation arrive with the American delegation, the events can proceed and Robert will be permitted to meet with three top officials in Iran (presumably Rafsanjani, Prime Minister Mir Hossein Mousavi, and President Khatami).

Partially Declassified/Released on 4 July 1987
under provisions of E.O. 12356
by B. Reger, National Security

CL BY [REDACTED]
DECL. OADR

UNCLASSIFIED

EXCLUDED FROM AUTOMATIC DOWNGRADING AND DECLASSIFICATION

1401

UNCLASSIFIED

5. Subject stated that the [redacted] understood that the Americans would arrive and return in their own aircraft and noted that the Americans would stay at the guest houses of the Iranian President. If necessary, the [redacted] stated they could close one of the large hotels in order to accommodate the American party. The hotel would have to be totally closed to guests, according to Subject, because the [redacted] wished to hide the fact of the American presence.

6. Subject stated that the [redacted] has proposed the following arrangements: (1) the Americans arrive; (2) one hostage is released; (3) one-half of the Hawk missile spare parts will arrive, approximately 10-12 hours after the release of the first hostage; (4) as the negotiations proceed over the following four to five days, the other four hostages will be released. According to Subject, the [redacted] explained that it would be difficult for Iran to force the Lebanese Shiite to release all the hostages at once because the Lebanese Shiite would find such an arrangement "fishy" and would not trust the Americans to come through with their side of their agreement—especially if all hostages were released at the outset.

7. The [redacted] according to Subject, stated that the framework for these discussions had been established and that the arrangements proposed above have been fully approved by the Iranian side. The [redacted] described the release of the first hostage upon the arrival of the American delegation as a "gesture of good will." He assured Subject that the other hostages would be freed if negotiations "successfully" proceeded with the US delegation.

8. Subject told me that he recommended Mr. Goode reject this approach and that I call him back on 15 April to inform him (Subject) that the sequence of events proposed by the Australian were unacceptable. Subject stated that a small "miracle" has been achieved in getting the Line Two group to accept any release of the hostages but asserted that Prime Minister Musavi is a problem and a real obstacle to a final agreement. He noted, however, that Musavi believes the US is "taking advantage of Iran." Nonetheless, Subject's advice was that the US be very tough and authorize him to tell the [redacted] outright that the US cannot accept the [redacted] proposal. Subject stated that with proper backing from Mr. Goode, that he can successfully pressure the [redacted] and Prime Minister to agree to adhere to the original understanding. Subject stated that he would work with [redacted] and other Line One supporters to force this issue. He stated that this also would be the most propitious route to pursue as the Prime Minister is a most untrustworthy and dangerous individual.

9. Subject stated that the money for the spare parts will begin moving on 15 April. As a final statement, Subject noted that the US should make it clear to Adam that we find the [redacted] sequence of events unacceptable. I assured Subject that I would call him back on 15 April.

Charles E. Allen

UNCLASSIFIED

SECRET//NOFORN//NO CONTRACT//ORCON

DOCUMENT UNAVAILABLE.

Chapter 12, Footnote 127

12-127

UNCLASSIFIED

From: NSJMP --CPUA
To: NSOLN --CPUA

Date and time 04/16/86 19:02:42

N 9212

*** Reply to note of 04/16/86 16:40

-- SECRET --

NOTE FROM: JOHN POINDENTER

Subject: PRIVATE BLANK CHECK

You may go ahead and go, but I want several points made clear to them. There are not to be any parts delivered until all the hostages are free in accordance with the plan that you laid out for me before. None of this half shipment before any are released crap. It is either all or nothing. Also you may tell them that the President is getting very annoyed at their continual stalling. He will not agree to any more changes in the plan. Either they agree finally on the arrangements that have been discussed or we are going to permanently cut off all contact. If they really want to save their asses from the Soviets, they should get on board. I am beginning to suspect that doesn't have much authority.

cc: NSPBT --CPUA PAUL THOMPSON

5/6/87
100-100000-1211
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426

12-128

434

Chapter 12
Footnote 128

UNCLASSIFIED

N 17749

PAGE 952

5/6/87
1288
B. J. ...
B. J. ...

... ..

[REDACTED]

06/22/86 10:00:20

... ..

... ..

06/22/86 10:11:00

... ..

06/22/86 10:00

... ..

... ..

UNCLASSIFIED

12-129

UNCLASSIFIED

Chapter 12, Footnote 129

N 17754

Page 100

with the following: Released on 5/4/87
 under E.O. 12356
 by the U.S. Secret Council

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Chapter 12
both wte 130
N 857Copp: 4/21/86 1635

12-130

'212045Z Apr 86.

1. I talked to Adam this a.m. He quite pessimistic re Gorbachev cabal. He know time is nearly over. I agreed to transfer 185K to his acct Tuesday to satisfy IAF bill -- there is still the matter of about 25K in cash to be resolved. IAF total bill is 250K -- a real rip off.
 2. Standing by for info on ship procurement, go or no go. I have Tom in the linemans crouch.
 3. Current obligations over next few weeks nearly wipe us out except for CD. Big ticket items are 822K plus 185K to Adam, D. Walker 110K, 57K to Sat for drop to Blacky, 200K insurance fund, O and M 600K, 100K to defex-balance of 9 Apr 707 shipment. Bottomline is that ship buy plus BP buy can be accomplished only by using CD funds. Ship costs of course can be recovered.
 4. Now that we have Euc, [redacted] much more confident and says we should get pricing tomorrow. If you find work, send money.
- Rgds, Dick. BT

12 Jan 1988

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SECRET

UNCLASSIFIED

4228

N120
121

12-131

SIGNED

Chapter 12 Footnote 131

22 Apr 86

2115

- 1628 - Call from Mr.
 - No Israel Govt. connection to
 customs bust
 - Do whole thing - no need for
 next mtg.
 - Get phone to in Geneva

George [REDACTED]

1788

- [REDACTED]
 - [REDACTED] 21 Apr
 - [REDACTED] for talks w/
 Amis
 - Will send delegation to release
 hostages
 - When U.S. arrives

- [REDACTED] will be sent for
 all of them

- A. says U.S. side willing to
 give [REDACTED] up in 1 deal

- [REDACTED] plan - no F2G

- U.S. must keep deal or take
 [REDACTED] deal - [REDACTED] [REDACTED]

- [REDACTED] longer term depends on [REDACTED]
 deal

- 1st Acknowledgment that [REDACTED] is
 committed
 - Send delegation [REDACTED] ahead
 to Tehran
 - Not ready to release

4229

UNCLASSIFIED

~~UNCLASSIFIED~~

Chapter 12, Footnote 132

FILE: APR86

WHITE HOUSE COMMUNICATIONS AGENCY

Partially Declassified/Released in accordance with provisions of E.O. 12356 by B. Reager, National Security Council

PAGE

*** Reply to note of 08/29/86 19:46

NOTE FROM: JONH POINDREITER

Subject: PRIVATE BLANK CHECK

Don said you were going to call to secure today. I will discuss with President today and talk with you when you call Wed morning your time.

9 PRIVATE BLANK CHECK

MSG FROM: NSOLN --CPUA

To: NSJMP --CPUA

TO: NSJMP --CPUA

08/29/86 19:46:06

*** Reply to note of 08/31/85 13:26

NOTE FROM: QJ1988 BOMBE

Subject: PRIVATE BLANK CHECK

We are seeing increasing evidence of Libyan efforts and other signs of increasing disarray inside Lebanon. Further, there is increasing indication of seepage around the edge of our hostage project. Bottom line: [REDACTED] knows this and wants to proceed quickly with a release.

[REDACTED] does indeed have the requisite authorities to bring this all to a conclusion. We are, at this point concerned only that he may be unable to proceed because of the two radar issues and that the timing of their delegation to Beirut should be such that the delegation is already there by the time we arrive in Tehran - and that they not wait to dispatch it until we arrive. Casey and company believe that we have made too big a deal over the radar issue noting that they were proposed with the original parts list and we should not be treating them as separate items. They note that no one else sees them as such and that I should not have presented them as separate items. They believe that we can order them up from the normal logistics acquisition process that they have established with the Army and that they will simply be delivered as they are made available. In any event - all here agree that Cave, North and Mir ought to go to meet w/ [REDACTED]

Agency has prepared foreign documents as necessary. If you approve, we wd depart Tehran [REDACTED] commercial to Frankfurt then to Tehran on Friday via private jet [REDACTED]

radars I will try to convince them to take what we have in terms of parts and if necessary some of the 308s as acceptable alternatives. We know that Gorba has tried, unsuccessfully to date, to convince [REDACTED] that this is the preferred course of action.

PRIVATE BLANK CHECK

12-132

1443

JMP 9/21/87

UNCLASSIFIED

Chapter 12, Footnote
133

12-133

NIC 02238-86
5 May 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Discussion with Adam

1 0170

1. At the request of Mr. Goode, I called Adam at his home on the afternoon of 2 May. Adam stated that he had talked with Subject in some detail the previous day about the proposed trip of the American delegation to Point Tango. Adam stated that he had bluntly informed Subject that the trip involving the Americans would not take place. He claimed that he told Subject that a preliminary meeting was not required if the [REDACTED] clearly understands what terms are acceptable to the American side. *BS*

2. Adam stated that he personally was not "too happy" about cancellation of the preliminary meeting. In his opinion the preliminary meeting would have been one way to have complete assurance that both sides were in agreement on the terms of the arrangements. Adam stated that he understood, however, that Mr. Goode's boss was adamant that the Americans would not go to Point Tango for the preliminary meeting.

3. Adam stated that Subject was to call the [REDACTED] on 1 May to determine again whether the terms of the arrangements were fully understood. If the [REDACTED] agreed to the terms, then Subject would be willing to begin moving the of money. According to Adam, Subject is thinking of making a deposit on Monday, 5 May. In Adam's view this was an auspicious development because Subject would not move funds unless he had assurance that both sides were now in agreement as to the terms of the arrangement. He noted that Subject stood to lose a lot of his own personal finances if anything goes awry once the deposit is made.

4. Adam stated that Subject had arranged for a private jet to take the American delegation to Point Tango on 3 May. In Adam's view, Subject might take the aircraft instead and go on to Point Tango in order to finalize arrangements with the [REDACTED]. Adam stated that he should know something definitive late Saturday or early Sunday (4 May), assuming Subject makes a quick trip to Point Tango.

12/1-1338

Charles E. Allen

CL BY [REDACTED]
DECL OADR [REDACTED]

4230

UNCLASSIFIED

GROUP 1 EXCLUDED FROM AUTOMATIC DOWNGRADING AND DECLASSIFICATION

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Chapter 12

Footnote 134

The Director of Central Intelligence
Washington, D.C. 20505

12-134

National Intelligence Council

NTC 02244-86
5 May 1986

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: Deputy Director for Operations

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism

SUBJECT: Comments on the Ghorbanifar Operation

1. [REDACTED] the White House initiative to secure release of [REDACTED] hostages in Lebanon remains dead in the water. We surmise [REDACTED] that [REDACTED] is unable to provide the assurances and to make the arrangements demanded by our side. Ghorbanifar has not deposited the funds necessary to move the spare parts.

2. We believe that the Iranian Government has not been able to convince the holders of the hostages to release them to Iranian custody. [REDACTED]

[REDACTED] Ghorbanifar's failure to deposit the necessary funds indicates that he has doubts about [REDACTED] ability to obtain the release of the hostages. Ghorbanifar is in a bind and he knows that once he deposits the money he cannot get it back. He also is aware that we have insisted that the spare parts will be delivered eight hours after the release of the hostages and only after the release of the hostages.

Partially Declassified/Released on 4 Feb 1987
under provisions of E.O. 12356
by S. Regier, National Security Council

Charles E. Allen
Charles E. Allen

CL BY [REDACTED]
DECL OADR

1402

ATTN #0260

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12-158

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G Nat 16 Chapter 2
Footnote 158

Tom. Oct 20 236 2000

233 Items 2131

209 Full Surrender

14 Partially Surrendered

5 Not Avail

5 Cost T.D.

2 Noor Push/Disc.

228 Deceased

✓ COST = 13,415,876.00

✓ BONES = 9,652,500.00

✓ Deceased/Partial = 483,725.00

✓ NEWS, X-BOX (Bones) 87,500.00

✓ C-14 (to be) (Bones) 164,300.00

23,663,001.00

UNCLASSIFIED

Partially Declassified, Release on 1/3/98
 under provision of E.O. 12256
 by B. Reger, National Security Council

4729

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12-159

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Радари

2135

Chapter 12

Factre 159

3 6,177,600 For Two Pianos

22,884 Testing/Eval

100,000 से/वर्ष।

78,000 TRANS VIA C-141

56,299,984 cost

56.3

UNK - Reprints: ? 6.5

2408 PARTS: 4,182,923.40

P/C/W _____ 146,000

Trans. Am. Mus. Nat. Hist. 8, 600

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OVER RUN 241,011

42,010,763

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\$12,488,173

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Chapter 12
Footnote 163

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NOTE FR JOHN POINDREITER
Subject: Iran
GOOD WORK. LET'S DISCUSS AT LUNCH.
Iran

MSG FROM: NSOLM --CPUA TO: NSJMP --CPUA
To: NSJMP

*** Reply to note of 05/06/86 00:55

NOTE FROM: OLIVER MORIN

Subject: Iran

Done. I believe we have succeeded. Deposit being made tomorrow (today is a bank holiday in Switzerland). Release of hostages set for week of 19 May in sequence you have specified. Specific date to be determined by how quickly we can assemble requisite parts. Thank God - He answers prayers. V/R, North

Iran

MSG FROM: NSOLM --CPUA TO: NSJMP --CPUA
To: NSJMP

*** Reply to note of 05/06/86 01:00

NOTE FROM: OLIVER MORIN

Subject: CONTRA PROJECT

Yes, in general terms. He is supportive, as is Elliott. It is, to say the least, a high risk option - but it may be the only way we can ever get this thing to work. It is also important for you to know that [redacted] sent his [redacted] to see me with the following offer: The Israelis wd be willing to get 20-50 Spanish speaking military trainers/advisors into the SAR if we want this to happen. They wd do this in concert with an Israeli plan to sell the [redacted] fighter to Honduras as a replacement for the 28 yr old [redacted] which

12-163

actually declassified/1 cleared on 6 July 1984
under provisions of E.O. 12356
by G. Rieger, National Security Council

1457 23+24
MP 9/27/85
(24)

12-163

UNCLASSIFIEDChapter 12
Footnote 114
Non-LogNATIONAL SECURITY COUNCIL
WASHINGTON, DC 20505

N 1255

Documentation:

except:

May 9, 1986

~~TOP SECRET~~SENSITIVE

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with DDO

12-164

CIA EMPLOYEE

North and Earl met with Claire George, Burt Dunn, George Cave, and [redacted] to review status of the project. Claire had some basic questions:

1. What should the role of the Israelis be in this? Their aircraft or ours?
2. What is our overall strategy? What do we want at the end of it (i.e., beyond return of the hostages)?
3. [redacted]

North answered the first question by relating the substance of his conversation with the Israelis in New York last night. The Israelis want to be there and have offered two 707s. North pointed out that the Israelis provide some degree of plausible deniability if the project unravels. Claire agreed to Israeli participation. Nir will accompany the party to T. Thus, that party will be six persons: Bud, North, Teicher, Cave, communicator, and Nir.

North answered question #2 by pointing out that our long-term objective was to end the Iran-Iraq war. Specific objectives in the near-term were to get the Iranians [redacted] and to get them to cut off their oil to Nicaragua.

Question #3 was addressed in terms of the intel package being developed by Cave and Dick Kerr. North wants it jazzier, more photos, more reports of evil Soviet deeds against Muslims and mosques, etc. George will be the translator on this and needs to get together with Bud and North for a couple practice sessions before departure. The objective is to string this out (not just a two-hour slam bam, thank you ma'am). George suggested the theme that the Soviets are "one idea" people and that you (Iran) are OK now so long as the Soviets are preoccupied in Afghanistan. But afterwards, watch out.

We should also ask them for their views of the Afghan war. We should take along photos, but not leave them with the Iranians. (CIA action)

~~TOP SECRET~~

Declassify: OADR

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(806)

2102
12/11

~~UNCLASSIFIED~~~~TOP SECRET~~

2

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1257

S.S.:1256

Documentation: All will have [redacted]
(except Bud). Nir does his own documents.

Aircraft routing: Dick's aircraft (C-130?) will pick up the parts at [redacted] and fly directly to Israel. The party will fly by [redacted] military Gulfstream to Israel. A sample of the parts and the party marry up there and fly to T on an Israeli aircraft (with Israeli involvement agreed, no need to go via Frankfurt).

North reviewed the idea of giving the Iranians a few options for delivering the hostages -- e.g., a Western Embassy in West Beirut, our Embassy in East Beirut, a church, etc. [redacted]

The party should plan to ask for the return of Buckley's remains as well as those of the two Israelis.

Claire raised the contingency of the Iranians trying but being unable to deliver the hostages -- what does the party do then? North acknowledged the possibility; we've given them 48 hours (from time of the party's arrival in T) to safely deliver the hostages. We probably don't give them the parts and radars, but we also probably don't want to "go away mad" and give up the opportunity to develop some sort of on-going relationship.

Claire hopes that the party will be able to plant the seed of giving the Iranians a [redacted]

[redacted] Point out problems to date with dealing through intermediaries. Point out problems with the spare parts list they have developed -- that we don't believe this will entirely solve their problems. Suggest on-going dialogue. Suggest a visit by a few technical experts who might help identify and solve their equipment problems. [redacted]

Some modest U.S. gifts ought to be taken along (e.g., Colt .45 replicas?) DDO will fund.

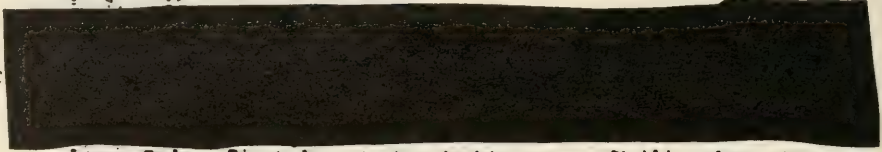
Claire wanted to ensure that Weinberger, Casey, and Shultz would all be briefed on the project (particularly regarding his second question, long-term goals).

A problem has arisen on the radars -- they are more expensive than estimated (i.e., \$5K each vice \$3K?), and only Phase II radars are immediately available. Two phase I radars are currently sitting in a warehouse in Pennsylvania, but it is unclear if we can get these released (e.g., to Israel?). Approval from several U.S. agencies might be required: Customs, Justice, State, DOD, and the Iranian claims commission... (CIA action).

~~TOP SECRET~~~~UNCLASSIFIED~~SENSITIVE

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WASHINGTON, D.C. 20505N 1257
SENSITIVE

ave 1215 03 8



Loose Ends: First deposit hasn't hit yet... Nailing down the exact costs... Solving the phase II/phase I problem. Developing a response to the Italians not being able to deliver (or to a partial delivery). Ensure the intel package is up to speed.

~~TOP SECRET~~~~UNCLASSIFIED~~SENSITIVE

5/12/86

Chapter 12 #165

UNCLASSIFIED

12-165

SECRETUNCLASSIFIED
SECRETCopp: 5/12/86 1115

141600Z May 86.

1. We have just received 10M in the lake via a contorted but our lawyer says it is good and he is now moving it out lake to another acct. Still no sign of the remaining 5M but assume it is enroute.
2. I will advise Adam ASAP.
3. I am meeting with [REDACTED] in my office at 1500.
4. FYI: Adam was trying hard to get exact bottom line number yesterday. Pls ensure you make up an approved version of talking paper. Rgds, Dick, BT

Partially Declassified/Released on 23 May 87
under provisions of E.O. 12356
by B. Reagle, National Security Council

949

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12-167

CLASSIFIED AT TIME OF PUBLICATION.

12-174

See Hearing Exhibit OLN-290

Chapter 12
Footnote 176

UNCLASSIFIED

FILE: MAT06 [REDACTED] AO WHITE HOUSE COMMUNICATIONS AGENCY

Thursday, May 22

1000 - 240 items + 508 tons moved to Kelly APS by CIA
1100 - Commercial 707 (01) arrives Kelly to load sort of 240 items
1200 - COPP arr. Geneva
1300 - Commercial 707 (01) Dep Kelly for Israel/ bulk of 240 items aboard
1400 - North Dep Wash. for London
1500 - COPP Dep Geneva for Israel w/ 707 Special Crew for IAP 707 via LearJet

N 12539

Friday, May 23

0100 - G-3 Dep Andrews w/ Cave, Feicher, communicators (2) plus equipat
0200 - G-3 P/B BCM at Laguardia (speech that evening in NYC)
0300 - COPP Arr. Israel w/ 707 Spec Crew.
0400 - North in London re CMS & JCRC offers to Lebanese Shia
0500 - G-3 w/ BCM arrive Gatwick, North
0600 - Commercial 707 (02) Dep Kelly APS w/ 508 tons for IDF ear Israel
1400 - Commercial 707 (01) Arr Israel w/ bulk of 240 items; commence Iir to IAP 707s prior to commencement of Sabbath

Saturday, May 24

0200 - G-3 w/ BCM
0300 - G-3 Departs
0400 - G-3 w/ BCM: communicators & party arrive Israel - start rest period
0500 - Commercial 707 (02) Arrives w/ 508 tons & remainder of 240 items;
complete srt of 240 items to IAP 707s after sunset (end of Sabbath)
200 - IAP 707 (01) w/ COPP special crew & BCM party dep Israel ear X.
200 - bulk of 240 items transloaded re Commercial 707 (02) to IAP 707 (03)

Sunday, May 25

0130 - BCM & party on IAP 707 (01) arrive i. prepared for Stys.

12-176

IMP 8/105 750

458

UNCLASSIFIED

12-175

See Hearing Exhibit OLN-193

See Hearing Exhibit OLN-194

See Hearing Exhibit CWW-48

CHAPTER 13. DEADLOCK IN TEHRAN

Exclusive Dissemination

The Director of Central Intelligence
Washington, D.C. 20505

UNCLASSIFIED

UNCLASSIFIED
Duplicate

C 09419

NIE 01937-86 Chapter 13
16 April 1986 Footnote 2

4576

National Security

MEMORANDUM FOR THE RECORD

SUBJECT: [REDACTED] with [REDACTED]

1/25/87
by R. [REDACTED] National Security Council

13-2

1. [REDACTED] called again on 14 April to state that he was at a restaurant near his hotel because he was convinced [REDACTED]

2. [REDACTED] stated that after his last trip to Tehran, he had prepared a report in Farsi that set forth Iran's understanding of the agreement being worked out with the US. He said he gave this report to Adam who in turn was to turn it over to Mr. Goode. In the agreement (which has never been received by Mr. Goode), the Iranian elements working on the agreement identified four issues to be discussed with the Americans: (1) the threat from the Soviets in the north; [REDACTED]

(3) the increasing pressure by the Syrians upon the Lebanese Hizballah; and (4) discussion of ways to develop a long-term relationship between the US and Iran. [REDACTED] expressed regret the US side did not have this document in its original Farsi.

3. [REDACTED] claimed that he had told the Australian that the US delegation might travel utilizing [REDACTED] passport to Tehran. He told Tehran that the delegation, including the air crew, would total 10-11 individuals. [REDACTED] also told the Australian the Americans would come in their own plane and that the delegation would be headed by Robert. [REDACTED] claimed that he also told the Australian that the US would not deliver the Hawk spare parts or discuss any substantive issues until the hostages were released. According to [REDACTED] he emphasized to the Australian that all the hostages must be released as soon as the Americans arrived.

4. According to [REDACTED] the Australian stated his side would be calling to meet with the Americans and he wanted to know if Robert would be carrying a message from the US President to the President of Iran and if a similar Presidential message would be prepared for delivery to the US President. [REDACTED] also stated that the Australian expected that another report would be brought by the Americans from the Speaker of the House or the President of the Senate. If these types of formal documentation arrive with the US delegation, the events can proceed and Robert will be present with three top officials in Iran (presumably: Rafsanjani, President Khatami, and President Khamenei).

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5. [redacted] stated that the Australian understood that the Americans would arrive in [redacted] in their own aircraft and noted that the Americans would stay at [redacted] of the Iranian President. If necessary, the Australian [redacted] could close one of the large hotels in order to accommodate the American party. The hotel would have to be totally closed to guests according to [redacted] because the Australian wished to hide the fact of the American presence.

[redacted] stated that the Australian has proposed the following arrangements: (1) as the Americans arrive; (2) one hostage is released; (3) one [redacted] of the [redacted] spare parts will arrive, approximately 10-12 hours after the release of the first hostage; (4) as the negotiations proceed over the following four to five days, the other four hostages will be released. According to [redacted] the Australian explained that it would be difficult for Iran to force the Lebanese Shiite to release all the hostages at once because the Lebanese Shiite would find such an arrangement "fishy" and would not trust the Americans to come through with their side of their agreement—especially if all hostages were released at the outset.

7. The Australian, according to [redacted] stated that the framework for these discussions had been established and that the arrangements proposed above have been fully approved by the Iranian side. The Australian described the release of the first hostage upon the arrival of the American delegation as a "gesture of goodwill." He assured [redacted] that the other hostages would be freed if negotiations "successfully" proceeded with the US delegation.

8. [redacted] told me that he recommended Mr. Goode reject this approach and that I call him back on 15 April to tell him [redacted] that the sequence of events proposed by the Australian was unacceptable. [redacted] stated that a small "miracle" has been achieved in getting the Line Two group to accept any release of the hostages but asserted that Prime Minister Musavi is a problem and a real obstacle to a final agreement. He noted, however, that Musavi believes the US is "taking advantage of Iran." Nonetheless, [redacted] advised that the US be very tough and authorize him to tell the Australian outright that the US cannot accept the Australian's proposal. [redacted] stated that with proper backing from Mr. Goode, that he can successfully pressure the Australian and Prime Minister to agree to adhere to the original understanding. [redacted] stated that he would work with [redacted] and other Line One supporters to force the issue. He stated that this also would be the most propitious route to pursue as the Prime Minister is a most untrustworthy and dangerous individual.

9. [redacted] stated that the money for the spare parts will be [redacted] on 15 April. As a final statement, [redacted] noted that the US should be clear to Adam that we find the Australian's sequence of events unacceptable. [redacted] assured [redacted] that I would call him back on 15 April.

Charles Allen

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Chapter 13 Far 7
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13-7

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PAGE 001

TOR: 19 MAR 84

SECRET 19 MAR 84 STAFF

CITE

TO:

SUBJECT:

REFS: A.
B.

1. REF A NOTES THAT ACCORDING TO [REDACTED]
ENGINEERED THE KIDNAPPING OF BUCKLEY IN BEIRUT
AND THAT [REDACTED]

2. [REDACTED]
BUT BELIEVE THAT IN LIGHT OF [REDACTED] POOR PERFORMANCE ON
THIS CAN BE SEEN AS ANOTHER INDICATION OF HIS DECEPTION.

3. FIL [REDACTED] DECL OADR DRV HUM 4-82 ALL SECRET.

END OF MESSAGE

SECRET

Partially Declassified by [REDACTED] 1/2/88
under [REDACTED] 1/2/88
by [REDACTED] National Security Council

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Date 27 March 84
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CIIN 1047

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DO 009013

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10 MAR 84

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TOR: 21 MAR 84

IN 3690367

SECRET 21 MAR 84 STAFF

CITE

TO: DIRECTOR

SUBJECT:

REF: A.

B.

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3. REF A AND RELATED TRAFFIC
 REPORTED ON [REDACTED] WHO HAD VOLUNTEERED INFORMATION ABOUT
 POSSIBLE LOCATION OF KIDNAPPED AMERICAN DIPLOMAT WILLIAM
 BUCKLEY AND ABOUT AN ALLEGED IRANIAN PLOT TO ASSASSINATE U.S.
 PRESIDENTIAL CANDIDATES. [REDACTED] WAS TESTED ONLY ON THE
 INFORMATION ABOUT BUCKLEY BECAUSE OF THE LIMITED TIME ALLOWED
 TO CONDUCT [REDACTED] BEFORE ONWARD TRAVEL. RESULTS SHOWED
 DECEPTION REGARDING SEVERAL KEY ELEMENTS OF [REDACTED] STORY.

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4. FILE:

DECL OADR DRV HUM

4-82

COMMENT: RELAYED INFO

PER [REDACTED]

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PAGE 001
TOT: 18 MAR 84 DIRECTOR 876494

SECRET
STAFF 1 [REDACTED] DIA
TO: [REDACTED]

SUBJECT: PLANS TO ADMINISTER

REFS: A
B
C

DO 208981

03 60/30

1. YOUR PLAN TO ADMINISTER [REDACTED] (IDEN A)
IS EMINENTLY DESIRABLE. WE CAN FIND NO [REDACTED] NO INDICATION THAT
THIS HAS BEEN DONE PREVIOUSLY. [REDACTED]

2. [REDACTED] WAS BORN 1945 IN IRAN. IN ISPAHAN, HE IS MARRIED. FROM 1979 TO EARLY JULY 1980 HE TRAVELED FREQUENTLY TO LONDON FROM IRAN AS AN EMPLOYEE OF AN IRANIAN BASED IMPORT/EXPORT FIRM. PRIOR TO THIS HE WAS MANAGING DIRECTOR OF STAR LINE SHIPPING CO. WHICH PER [REDACTED] BECAME A "JOINT IRANIAN/ISRAELI VENTURE" IN LATE 1980. IN LATE 1979 HE WAS SAID TO BE A MEMBER OF THE "TEHRAN KOMITE" [REDACTED] UNTIL ABOUT [REDACTED] 1981. [REDACTED] WAS A [REDACTED] SOURCE [REDACTED]

OF ABOUT ONE YEAR. HE WAS HELD BY [REDACTED] OFFICERS [REDACTED] A PERIOD
DURING THIS TIME HE PROVIDED SOME USEFUL INFORMATION.

(PRIOR TO THE IRANIAN REVOLUTION, WAS AN INFORMANT FOR [REDACTED] AND SAVAK AND HE RETAINS MANY CONTACTS FROM THOSE DAYS.) [REDACTED] WAS IMPLICATED IN THE FAILED COUP OF 5 JULY 1980, AS WERE BOTH OF HIS YOUNGER BROTHERS (IDENS B AND C). [REDACTED] HE COULD NO LONGER TRAVEL TO IRAN BUT CONTINUED TO TRAVEL FREQUENTLY TO PARIS, ATHENS, TURKEY AND IRAQ. HE CLAIMED THIS WAS FOR THE PURPOSE OF MEETING WITH OTHER EXILE LEADERS, MAKING DEALS FOR MONETARY AID AND PURCHASING SMALL WEAPONS AND EXPLOSIVES REPORTEDLY FOR HIS "GROUP" IN IRAN.

THAT HE WAS REGARDED AS CURIOUSLY WELL INFORMED AND WELL CONNECTED. THERE WERE INDICATIONS

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TOT: 1 MAR 84

DIRECTOR 876494

HE HAS STATED THAT HE ADVISORS EXILE GROUPS IN PARIS BUT IS NOT
 AFFILIATED WITH ANY OF THEM.

4. THOUGH SEEN MOST OFTEN AS A "RUMOR" MONGER OF OCCASIONAL
 USEFULNESS," HE HAS BEEN THE SOURCE OF REPORTS
 THAT HAVE BEEN WELL RECEIVED.

5. THERE WILL MAY BE SOMETHING TO
 WHAT HE IS SAYING - BUT EXACTLY WHAT, AND WHY HE IS TELLING US
 NEEDS TO BE DETERMINED.

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TOT: 1 MAR 84

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 Date 227 March 84
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DO 305980

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TOR: 17 MAR 84

IN 7-55086

SECRET 17 MAR 84 STAFF

CITE

TO IMMEDIATE DIRECTOR

SUBJECT: INFO ON ALLEGED PLAN TO ASSASSINATE
PRESIDENTIAL CANDIDATE

REF: DIRECTOR 875330

1. FOLLOWING IS INFORMATION OBTAINED FROM [REDACTED]
DURING FIRST 17 MARCH MEETING ON ALLEGED IRANIAN PLOT TO
ASSASSINATE U.S. PRESIDENTIAL CANDIDATE. (NOTE: WE PAINFULLY
AWARE THAT MANY QUESTIONS ON BELOW INFORMATION REMAIN TO BE
ANSWERED. [REDACTED] WILL CONCENTRATE ON THESE QUESTIONS DURING
PLANNED EVENING AND EARLY MORNING SESSIONS WITH [REDACTED])

2. SOURCE FOR THIS INFORMATION IS [REDACTED]

[REDACTED] DESCRIBES
AS MEMBER OF ISLAMIC REPUBLICAN PARTY WHO NOW EMPLOYED
AS "CLOSEST" [REDACTED] TO [REDACTED]

[REDACTED] IS REPORTED BY [REDACTED] TO BE THE GENERAL
COORDINATOR OF THE PLANNED ASSASSINATION OPERATION. (NO
TRACES ON [REDACTED] OR [REDACTED])

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TOR: 1 [REDACTED] MAR 84

IN 365504A

3. ACCORDING TO [REDACTED] ARRANGEMENTS FOR INFILTRATION OF THE ASSASSIN [REDACTED] THE U.S. ARE BEING HANDLED BY [REDACTED]

4. [REDACTED] HAS ANOTHER "SOURCE" WHO HE HAS THUS FAR REFUSED TO IDENTIFY. [REDACTED]

(COMMENT: THIS ELEMENT OF STORY BEARS STRIKING RESEMBLANCE TO SOME PREVIOUS REPORTING INVOLVING [REDACTED] YOUNGER BROTHER. BELIEVE IT LIKELY THAT [REDACTED] IS STILL LURKING IN THE BACKGROUND OF THIS WHOLE EPISODE.)

5. ACCORDING TO INFORMATION PROVIDED BY [REDACTED] INTENDED TARGETS OF ASSASSINATION OPERATIONS ARE BOTH DEMOCRATIC AND REPUBLICAN PRESIDENTIAL CANDIDATES. ASSASSINATION OPS PLANNED TO TAKE PLACE BETWEEN 1 AUGUST 1984 AND 6 NOVEMBER 1984. ASSASSINATION TEAM IS MADE UP OF SUICIDE MEN, WHO ARE COMMITTED TO THIS OPERATION. INTENTION IS NOT ONLY TO KILL CANDIDATES, BUT TO KILL AS MANY SENIOR OFFICIALS AND STAFF (AND GENERAL PUBLIC) AS POSSIBLE. THE ACTUAL OPERATIONS ARE INTENDED TO BE AS "CATASTROPHIC" AS POSSIBLE FOR AMERICA. TIME PERIOD FOR OPERATIONS WAS PICKED SPECIFICALLY BECAUSE CANDIDATES WILL BE MORE PUBLICLY EXPOSED, AND THEORETICALLY LESS WELL PROTECTED. DURING THE ELECTION CAMPAIGN.

6. (COMMENT: PLEASE NOTE PREVIOUSLY REPORTED COMMENT BY [REDACTED] THAT HE WAS UNHAPPY WITH HIS RELATIONSHIPS WITH [REDACTED])

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IN 3655046

TOR: 1 [REDACTED] MAR 84

[REDACTED] BECAUSE NEITHER GOVERNMENT EVER TOOK ACTION
ON HIS INFORMATION, HIS STATED MOTIVE FOR PROVIDING
INFORMATION IS TO ASSIST WITH THE DOWNFALL OF THE KHOMEINI
REGIME. WHILE ABOVE INFORMATION MUST BE, AND IS BEING, TAKEN
VERY SERIOUSLY, IT SHOULD BE EVALUATED AND ASSESSED IN LIGHT OF
MOTIVATION.)

7. FILE: DEFER. INDEX: [REDACTED]
DECL OADR DRV HUM 4-82.

END OF MESSAGE

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IN 3654571

TOR: 1 MAR 60

SECRET 17 MAR 64 STAFF

SITE

SUBJECT: MEETING WITH

RE: BEIRUT KIDNAPPING

REF: DIRECTOR 875330 *

1. MET WITH IDEN B TO REF, WHO TURNED

ON AFTERNOON OF 17 MARCH TO DEBRIEF HIM ON INFORMATION VOLUNTEERED BY HIM PER REF ON KIDNAPPING OF AMERICAN DIPLOMAT BUCKLEY AND ON PLOT TO ASSASSINATE PRESIDENTIAL CANDIDATES.

DETAILS FOLLOW:

2. STATED THAT THE KIDNAPPING OF JUCKLEY WAS
ENGINEERED BY [REDACTED] ALIAS [REDACTED] (NO
TRACES).

LAST NIGHT (16 MAR), AFTER FAILING TO OBTAIN PERMISSION TO MOVE THE CAPTURED BUCKLEY IS BEING HELD, TO TEHRAN. [REDACTED] COULD PROVIDE NO DETAILS OF THE CURRENT LOCATION OF BUCKLEY. [REDACTED] HAS BEEN IN TOUCH WITH [REDACTED] LEFT FOR TEHRAN

REQUESTED THAT [REDACTED] RETURN [REDACTED] TO JOE WILSON
INFLUENCE TO OBTAIN PERMISSION TO MOVE BUCKLEY TO TERRANCE, IN

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IN 3654571

TOR: 17 MAR 84

CURRENT [REDACTED] IS FOR [REDACTED] TO RETURN [REDACTED] ON 20 MARCH, AND TO MOVE BUCKLEY TO TEHRAN ON 21 MARCH. BUCKLEY WILL MOST LIKELY BE TRANSPORTED VIA IRAN AIR IN THE CARGO HOLD OF A PASSENGER AIRCRAFT, OR IN AN IRAN AIR CARGO AIRCRAFT. [REDACTED] PROVIDED THE TELEPHONE NUMBER AND THE ROOM NUMBER OF THE HOTEL [REDACTED] AND HIS PARTY HAD STAYED.

3. THE SOURCE OF THE ABOVE INFORMATION IS [REDACTED] AN IRANIAN GOVERNMENT OFFICIAL WHO IS ON [REDACTED] AND SECRETLY SUPPORTS THE OVERTHROW OF THE KHOMEINI REGIME.

[REDACTED] HAS TAKEN PART IN DISCUSSIONS WITH [REDACTED] ON THE FATE OF "THE AMERICAN". [REDACTED] STATED THAT THREE DAYS AGO HE PAID [REDACTED] USD20,000 VIA AN ACCOUNT IN [REDACTED] IN THE NAME OF ONE OF [REDACTED] RELATIVES.

4. [REDACTED] PRESENTED ALIAS PASSPORT IDEN A. ON WHICH HE IS TRAVELING, AND STATED THAT HIS TRUE NAME IS IDEN B. HE CLAIMS THAT HE CHANGES IDENTITIES EVERY THREE MONTHS OR SO FOR SAFETY. HE CLAIMED THAT HE IS INVOLVED IN AN UNNAMED IRANIAN ORGANIZATION WHICH IS FUNDED BY ARMS SALES TO IRAN. [REDACTED] STATED THAT HE IS USING IRAN'S MONEY TO BRING ABOUT ITS DOWNFALL. HE ADVISED THAT THE ORGANIZATION IS NOT AFFILIATED WITH ANY OF THE EXILE GROUPS OR LEADERS BECAUSE THEY ARE TOO COMFORTABLE LIVING IN THE WEST AND ARE NOT SERIOUS ABOUT OUSTING KHOMEINI. [REDACTED] DEALS ONLY WITH IRANIANS IN GOVERNMENTAL POSITIONS IN THE KHOMEINI REGIME WHO ARE ANTI-KHOMEINI. HE CLAIMS TO HAVE PENETRATIONS OF THE MILITARY, THE REVOLUTIONARY GUARD, AND THE INTELLIGENCE ORGANIZATIONS. HE STATED THAT HE CEASED DEALING WITH [REDACTED] IN MARCH 1981 BECAUSE IT WAS APPARENT THAT [REDACTED] WAS NOT GOING TO ACT ON THE INTELLIGENCE HE WAS PROVIDING TO BRING DOWN KHOMEINI AND THAT IT WAS CLEAR THAT A

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TOR: 1 MAR 80

IN 3650571

DECISION THAT REGARD HAD NOT YET BEEN MADE.

WHO STATED HE IS NOBODY'S MAN, AND IS VOLUNTEERING THE
INFORMATION TO [REDACTED] BECAUSE HE SEES THAT NOW OUR "BACK IS
AGAINST THE WALL" AND THAT PERHAPS NOW SOME ACTION WILL COME
FROM HIS COOPERATION.

5. REQUEST HEADQUARTERS TRACES-DA [REDACTED]

6. SEPARATE CABLE FOLLOWS ON DETAILS OF PLOT TO
ASSASSINATE PRESIDENTIAL CANDIDATES.7. FILE: [REDACTED] INDEX [REDACTED]
DECL OADR DRV MUN 4-82.COMMENT: * WOULD APPRECIATE [REDACTED] OFFICER ESTABLISH CONTACT
WITH SOURCE [REDACTED]

END OF MESSAGE

SECRET

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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/14/80 BY [REDACTED]
RSC of SSC

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TOR: 17 MAR 84

IN 3654753

SECRET 17 MAR 84 STAFF

CITE

TO: IMMEDIATE DIRECTOR

SUBJECT: OPS PLANNING FOR

REF: DIRECTOR 875330

1. IMMEDIATELY AFTER MEETING WITH [REDACTED] FLEW [REDACTED] TO MEET WITH HIS SOURCE. HE SCHEDULED RETURN [REDACTED] MAY 1940, AND WILL BE MET FOR ADDITIONAL DEBRIEFING. [REDACTED] HAD PLANNED TO PROCEED ON TO PARIS TONIGHT, BECAUSE HE HAS APPOINTMENTS SCHEDULED IN PARIS ON 18 MARCH. WE PLAN TO ATTEMPT TO PERSUADE HIM TO REMAIN [REDACTED] OVERNIGHT AND TAKE 0905 FLIGHT IN THE MORNING.

2. PLANNED 17 MARCH EVENING MEETING WILL BE FOR ADDITIONAL DEBRIEFING AND VERIFICATION OF BONA FIDES. BECAUSE OF URGENT AND SPECTACULAR NATURE OF [REDACTED] INFORMATION, WE WOULD LIKE TO ATTEMPT, INSOFAR AS POSSIBLE, TO VERIFY HIS INFORMATION THROUGH [REDACTED] EXAM. IN DISCUSSIONS WITH [REDACTED] DECISION HAS BEEN MADE NOT REPEAT NOT TO TRY TO [REDACTED] TONIGHT. REASONING AS FOLLOWS:

A. [REDACTED] HAS BEEN TRAVELLING ON HECTIC SCHEDULE AND WILL PROBABLY BE TIRED ENOUGH TO BE UNSUITABLE CANDIDATE FOR [REDACTED] IMMEDIATELY UPON HIS RETURN HERE [REDACTED]

B. WE HAVE VERY LITTLE BACKGROUND FILES [REDACTED] INFORMATION ON HAND IS INSUFFICIENT TO ALLOW EXAMINER TO ADEQUATELY PREPARE MEANINGFUL QUESTION SERIES. POSTPONEMENT OF [REDACTED] WILL ALLOW ADDITIONAL TIME FOR RECEIPT OF FILE SUMMARY FROM HQS. NOTE: PLEASE ADVISE SPECIFICALLY ANY AND ALL DATA AVAILABLE ON PREVIOUS [REDACTED] IF ANY.

C. [REDACTED] EXAMINER IS CURRENTLY PREPARING SPECIFIC FOLLOW-UP QUESTIONS FOR TONIGHT'S DEBRIEFING SESSION, BASED ON INFORMATION PROVIDED EARLIER BY [REDACTED]

3. UNLESS WE RECEIVE OBJECTIONS TO CONTRARY, PLAN ATTEMPT [REDACTED] CIRCA 0600 LOCAL 18 MARCH. [REDACTED] WILL BE ADMINISTERED IN ROOM RENTED [REDACTED]

4. WELCOME COMMENTS/SUGGESTIONS.

5. FILE: DEFER. DECL OADR DRV HUM 4-82.
END OF MESSAGE

17 MAR 84

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by [REDACTED] 17 MAR 84
1 E.O. 12958
15/2/84

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PAGE ONE
TOR: 12 MAR 84

IN 3654052

SECRET 12 MAR 84 STAFF

CITE

TO: IMMEDIATE DIRECTOR

SUBJECT: UP-DATE ON CONTACT WITH IRANIAN TERRORIST SOURCE

REF: DIRECTOR 075330

1. SUBJECT REF A, WHO TURNS OUT TO BE [REDACTED] HIMSELF AND NOT YOUNGER BROTHER AS WE ORIGINALLY SUSPECTED, WAS MET AS SCHEDULED AT 1300 HOURS.

MEETING LASTED

THERE WAS NO REPEAT NO INDICATION OF POTENTIAL SECURITY PROBLEMS BEFORE, DURING, OR AFTER MEETING.

2. DETAILED REPORT OF DEBRIEFING BEING PREPARED AND WILL BE SENT IMMEDIATE NIACT AS SOON AS POSSIBLE. WISH ALERT HQS COMPONENTS TO STAND BY TO PROVIDE TRACES, BACKGROUND INFORMATION, COMMENTS, AND GUIDANCE. AS FIRST STAGE, PLEASE PROVIDE, NIACT, FILE SUMMARY ON [REDACTED] FOR [REDACTED] BACKGROUND. PLEASE RELAY APPROPRIATE BACK TRAFFIC TO [REDACTED] FOR [REDACTED] INFORMATION.

3. SEPARATE CABLE FOLLOWS CONTAINING NAMES AND BIO DATA ON [REDACTED] SUB-SOURCES AND ON ALLEGED IRANIAN TERRORIST PERSONNEL. PLEASE PROVIDE IMMEDIATE NIACT TRACES (INTERIM RESPONSES ARE DESIRED, IF NECESSARY). IF POSSIBLE, WE WOULD LIKE TO HAVE AS MUCH INFORMATION AS PRACTICABLE IN HAND PRIOR TO NEXT SCHEDULED MEETING WITH [REDACTED] AT 1930 HOURS LOCAL THIS EVENING.

4. INFO OF IMMEDIATE IMPORT IS THAT [REDACTED] CLAIMS MR. BUCKLEY WAS KIDNAPPED AT DIRECTION OF IRANIAN GOVERNMENT AND IS NOW BEING HELD [REDACTED] (PRECISE LOCATION UNKNOWN). [REDACTED] ASSERTS IRANIANS WANT TO TRANSPORT HIM BACK TO TEHRAN, BUT [REDACTED] IS STALLING, AND APPARENTLY DOES NOT WANT HIM MOVED OUT [REDACTED]. DETAILS, INCLUDING SOURCING, FOLLOW.

5. FILE: DEFER. DECL QADR DRV HUM 8-82.
END OF MESSAGE

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17 MAR 84

17 MAR 84

18 MAR 84

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PAGE 001
TOR: 18 FEB 84

IN 3396969

SECRET 16 FEB 84 STAFF

CITE

TO: IMMEDIATE DIRECTOR

SUBJECT: IRANIAN WALK-IN

REF: DIRECTOR 813854 - *re the Master file*

1. ALI ((GHORBANI-FAR)) (SUBJECT), BROTHER OF [REDACTED] AND IDENTIFIED AS IDEN B TO DIRECTOR 813925 WALKED IN TO U.S. EMBASSY 17 FEBRUARY 1984 CLAIMING HE COURIER FOR SAVAMA. HE CLAIMS HE HAS BEEN TASKED BY SAVAMA TO OBTAIN FIVE NON-IRANIAN PASSPORTS TO BE ISSUED TO IRANIAN TEAM WHO THEN WILL SEEK VISAS TO VISIT THE U.S. PURPOSE OF VISIT IS NOT KNOWN TO SUBJECT, BUT HE SPECULATES IT TO BE IN CONNECTION WITH TERRORIST ATTACK AGAINST U.S. PROPERTY OR PROMINENT U.S. PERSON. SUBJECT OFFERED TO MAKE AVAILABLE "TOP SECRET" MESSAGES HE RELAYS TO DIFFERENT LOCATIONS IN EUROPE AND PHOTOS OF FIVE IRANIANS SEEKING PASSPORTS AND U.S. VISAS.

2. IN VIEW OF ALLEGATION RE ATTACK ON U.S. PERSON [REDACTED] DEP INFORMED, AND WILL SEND MESSAGE TO THEIR HQS. [REDACTED]

THIS APPROACH ALMOST CERTAINLY [REDACTED] A SCAM BUT WE NOTE THAT [REDACTED] SUBJECT HAS NEVER BEEN DIRECTLY QUESTIONED AND WE WISH TO GIVE YOU OPPORTUNITY TO POSE ANY QUESTIONS. [REDACTED] REP IS QUERYING HIS HEADQUARTERS FOR INSTRUCTIONS. SUBJECT, RETURNING TO EMBASSY 17 FEBRUARY. [REDACTED]

4. INDEX ((GHORBANI-FAR)). FILE [REDACTED] DRV. HUM 4-82 ALL SECRET.

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DO: 27 March 84
HSC + SSC

DO: 308547

END OF MESSAGE

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Chapter 13, Footnote 10

May 22/1400

DC (EDT) Local

N 1503

Saturday, May 24

0000 0700

1000 1700

1500 2200

707 charter #2 arr TLV

RCM party dep TLV via IAF 707 (A) enroute T.

13-10

Sunday, May 25

0100 0830

Party arr T.

Monday, May 26 (but NLT Wed, May 28)

H-hr Hostages released in Beirut.

H-hr AmEmb Beirut notifies State Department and
White House. NSC notifies RCM delegation.

H+1 NSC action:

H+1 hr State Department notifies families.

H+2 hrs

H+3 hrs (or ASAP) White House press statement.

H+X hrs Hostages evacuated from Lebanon

met by [redacted] to
Wiesbaden.

H+36 hrs Hostage families flown to Wiesbaden.

NLT Thursday, May 29

0100 0800 Party dep T. for TLV (both 707s).

4585

TIME ZONE LEGEND

CDT (Kelly)	EDT	London	Frankfurt	Tel Aviv	T.
0900	1000	1500	1600	1700	1730

TOP SECRET

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Declassified/Released on 10/15/12
under provisions of E.O. 12356
J. 2, Reger, National Security Council

Chapter 18, 27-29

13-18 1200
BAUD

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL FOINDEA
 TEF AT OPENING OF BUSINESS TUESDAY, MAY 27.

N 1334

DELEGATION ARRIVED TEHRAN SUNDAY MORNING. ABSENCE OF ANYONE TO RECEIVE US F
 OF OVER AN HOUR AND RECURRENT EVIDENCE ~~WASTY~~
 WGS INEPTITUDE IN EVEN THE
 MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK
 FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TALK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEA
 R ATTACK, A SURVIVING ~~TEHRAN~~ VICE PRESIDENT; A RECENT GRAD STUDENT BE
 CAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL
 DISCOURSE WITH FOREIGN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS
 LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSI
 NESS REQUIRES A RETHINKING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSRA
 TING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNA
 FUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICA
 L LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS T
 HAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CA
 N PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT, WE WERE MET BY GORBA ~~██████████~~
 TOLKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSI
 DERABLE SECURITY (CI) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED
 OUR FIRST MEETING AT 1700 LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION SESS
 ION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVOLUTION; HAD
 NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A SIR
 ONG INDEPENDENT, NON-ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITU
 ATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FI
 RST, IT SEEMED CLEAR TO US THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR
 TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIOUS VISA VIS
 IRAN THAT WE WOULD BE PLEASED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE
 CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER CUR
 CUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHATEVER. ~~██████████~~ ~~██████████~~ ~~██████████~~
 OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE ~~██████████~~

EA AND ONE OTHER FUNCTIONARY. ~~██████████~~ D GOR

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SPIRIT OF GOOD WIL
 L. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EA
 SY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL M
 ESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVE
 L OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORBA
 HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT W
 ITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMBLING. OUR INTERLOCUTO
 RS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGHT
 T ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY FERRITE
 D AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON TH
 E HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO
 DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY AS
 KED THAT WE PROPOSE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; DAS
 LOCAL AN APPROPRIATE STATEMENT OF THE GOI ~~██████████~~ ~~██████████~~ ~~██████████~~

NY 11/10
12/11/10
KJ

FOR THIS BREACH OF FAITH AND INSOLENT BEHAVIOR. [REDACTED]

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EXPECTED TO BE CORRECTED FORTHWITH.

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THIS MORNING. AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FROM THEIR SIDE [REDACTED] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAT THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY SINCE GORBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCIES.) [REDACTED] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUFFICES OF OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

HE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY MORNING. AS IT TURNED OUT THIS MAN NAMED [REDACTED]

[REDACTED] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGUE WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND KHAMENEI (PRESIDENT) ARE EACH TRAUMATIZED BY THE RECOLLECTION THAT AFTER BAZARGAN MET WITH BREZINEVSKI IN THE SPRING OF 1980, HE WAS REFUSED (SO SIFUNG WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN). TODAY THE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISIAH AND PERHAPS EVEN AGAINST IRAQ.) BUT THEY STILL CANNOT OVERCOME THEIR NOSE FOR IMMEDIATE PROBLEM OF HOW TO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF THIS LAST MAN [REDACTED] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVE WE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SMOOTHER BY SERIOUS DIALOGUE WITHOUT ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A NUMBER OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY STRESSED TO [REDACTED] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC REAFFIRMATIONS THAT STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY, ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS THE AGENDA, I INTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVENING SUMMONS FOR HIM

TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE EXTREME RHETORIC ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR RELEASE IS THE SINE QUA NON TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT THE BALANCE OF THIS SHIPMENT WILL NOT BE DELIVERED NOR WILL ANVIL [REDACTED] BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE WE STAND, IT SEEMS CLEAR THAT WE ARE DEALING WITH PEOPLE AT THE TOP WHO: 1. UNDERSTAND THAT THEY HAVE AN IMPORTANT INTEREST

IN ORDER TO ESTABLISH A DIALOGUE THAT LEADS TO A MEASURE OF COOPERATION WITH

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1. THAT DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR
2. E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. ARE
4. VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FRACTIONAL ATTACK IF THEY ARE DIS-
5. COVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT
6. PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPETENT
7. OFFICIALS BELOW THE VERY TOP AND NEED HELP.

SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR
US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE PAINFULLY SLOW. AS WE
PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT BEST
TOM THEY REALLY ARE RUG MERCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS
BECAUSE IT IS A MATTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW
3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY
GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL
INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. *HOPE YOU HAD A NICE WAELEND. TO
OUR GUYS ARE DOING A FANSTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEW
R EATH.

THIS ENDED

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~~TOP SECRET~~

13-21

N 9930

May 22, 1986

~~TOP SECRET~~

ACTION

RECEIVED
 FBI

NOV 29 1986

Copy is Receipt

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH N

SUBJECT: Hostage Recovery Plan

Attached for your information are papers which contain essential information and action requirements for the execution of the hostage recovery plan.

Tab I is the operation order and time table for the critical events of the plan. The following people will have copies of this timetable: Clair George, Dewey Clarridge, and Bob Earl. We have established a communications plan in which the travelling party will make routine contact in order to apprise the appropriate people of progress along the timetable.

Tab II is the U.S.-Iran Terms of Reference (TOR) that will be used by Bud during our discussions with the Iranians.

Tab III contains three different sets of press guidance for use:

- upon release of the hostages in Beirut;
- upon the non-hostile disclosure of the party's visit to Iran; and
- the hostile discovery and abduction of the party while in Iran.

Tab VI is a memo from you to the Secretaries of State and Defense, the CJCS, and the Director, FBI to execute the established interagency plan (Tab A) to receive, debrief, and reunite our citizens. This memo will follow-up a secure conference call upon notification of the hostages release.

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Declassify: OADR

EXHIBIT

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Chapter 13, Footnote 23

~~SECRET/SENSITIVE~~~~UNCLASSIFIED~~NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508SYSTEM IV
NSC/ICS 40425

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MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

13-23

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard R. Teicher

Israel
Amiram Nir

Iran

DATE: May 25, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 5:15 p.m.

[redacted] opened the plenary meeting. He said he was very happy to see the U.S. delegation here. Hoped this will be a useful trip with good results. Expressed regret for inconvenience at the airport. "Ready to begin negotiations and talks." After introducing his colleagues, [redacted] said the main purpose of this meeting is to prepare an agenda for other political discussions. (S)

McFarlane expressed on behalf of the President his pleasure to be in Iran to start what the U.S. hopes will be sustained discourse. McFarlane made the following opening statement: "The President asked that I portray for your leaders U.S. goals, the basis of disagreements, and try to find common ground for cooperation. Perhaps I could propose a format for our exchanges. First a session for an exchange on fundamental issues. In such a session we could present our goals, the nature of the peace we seek in the M.E. and more broadly. We could then turn to how we see our responsibilities vis-a-vis the USSR, and what we see as important to U.S. security interests in other parts of the world. We can also describe how we see the history of U.S.-Iranian relations

Partially Declassified on 6 Jul 1987
under E.O. 12356

by D. Regan, National Security Council
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going back 10 years. In these talks, on bilateral matters, we would hope to make clear that the U.S. accepts the Iranian Revolution and has no wish or presumption of influencing it in any fashion." (S)

McFarlane stressed "the U.S. hope that from this day forward, the U.S. and Iran can proceed where interests converge. No doubt there are elements of Iranian policy that the U.S. will disagree with. But it is important we understand the disagreements." After a general discussion of the global and bilateral agenda, McFarlane suggested that it might be useful for experts to exchange information, e.g., nature of Soviet intentions and capabilities in this part of the world. "I'd like to stress something at the beginning. Obviously we've had disagreements over the past eight years. But the U.S. recognizes that Iran is a sovereign power and we should deal on the basis of mutual respect, not intimidation. That's why before we begin high-level talks we put behind us hostage-taking which has occurred in the past. We are pleased that informal talks resulted in agreement on release of American hostages. Once that is completed we can begin serious talks. I want to stress our appreciation for your hospitality, especially during Ramazan. All of us are pleased to be here. This can lead to an historic new beginning." (S)

[redacted] replied that "he wanted to lay a groundwork regarding certain issues before meetings begin. This revolution was totally depending on God, independent Iranian power and unique ideology. These factors allowed this revolution to come into being. This revolution came to power because for years the nation was under dictatorial pressures. These pressures contributed to the revolution's success. I am sure you can feel how the nation and people think after so many years under pressure. Iran can now act freely. What do you expect from them now that they are free? I want to express a very important point. This revolution cost much blood. After so much blood, the people don't want hostility directed against them. The leader and the people expressed their will to look forward, not to the past. The key question to the past eight years may help explain why our relations were not good. We have a famous saying "Past is a mirror for the future." It is not the time to discuss what went wrong over past five years, but I want to emphasize a few points. We don't want to align with East or West, but that doesn't mean we don't want relations. Iran had relations with the U.S.A. at first. But refuge for the Shah and interference in our internal affairs damaged relations. U.S. refuge for the Shah was

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bad but your military action was a demonstration of hostile intent. All the points combined led to break in confidence in U.S.G. To rebuild bridge of confidence will take time. We are moving toward this goal. Best proof and reason we are moving is informal meetings, and your presence here in Iran. You know better than anyone that your presence here is most important development in this process. Believe we will reach this goal by fulfilling the necessary steps that have already been agreed to. I didn't want to review the past but I needed to mention the background." (S)

Turning to the agenda, [REDACTED] said he needs to make the agenda clear for Iranian leaders. "The first item should be U.S. goals in the area. The basic priority is to build a bridge of confidence. Both Iran and the U.S. must build confidence and trust. Once bridge of confidence is established then other priorities can be addressed and solved. We expect from you that the U.S. will supply physical support to Iran. U.S. support will be with us. This is best way to build confidence. For the U.S.A. to demonstrate that it is with Iran." (S)

McFarlane welcomed climate of [REDACTED] remarks. Bodes well for talks. "We agree that we should take advantage of certain measures that were agreed in the informal talks. Regarding the commitment of the U.S. to turn a page, this is expressed by my presence on behalf of the President. The corresponding commitment on the part of your government to put the past behind us is to use your influence to secure the release of captive Americans. They are not held by Iran but the captors are also subject to Iranian influence. Finally as an earnest showing of our good faith, we are prepared to transfer certain items which may be of assistance. We have brought some of these with us. In virtually all cases we could handle via aircraft. If not, other items will follow as this sequence evolves. Perhaps we could start discussions tomorrow morning on goals. At the conclusion of this discussion, we could have specialized sessions on the Soviet Union and Middle East situation." (S)

[REDACTED] specified Soviet intentions, Afghan issues, Lebanese affairs, Middle East peace, Iran-Iraq war, Kurdistan. "What is your view about Iraq? It's regime?" (S)

McFarlane said, "We are prepared to discuss all of those issues. Let us begin with a long session where we can make summary comments on each topic. Then later, when talking about Soviet capabilities, perhaps experts could meet. But the general threat and how to meet it can be done in a general session. In order to have clarity we can write out the agenda tonight." (S)

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[REDACTED] changed the subject, stating that "for humanitarian reasons we have acted on your hostages. But we expected more than what came on the aircraft". (S)

McFarlane answered that we could not bring it all on the plane. But the rest can be brought forward. (S)

[REDACTED] reiterated the humanitarian dimension, noting that Iran did not take these people captive." (S)

North expressed U.S. gratification for Iran's humanitarian assistance. He asked what Tehran wants the U.S. Government to say about Iran's role. The U.S. does not want to embarrass Iran. But if the Iranian government would be served by a U.S.G. statement it can be made. "We hope this will happen in next few hours." (S)

[REDACTED] said that Iran took this step as a humanitarian act. "We started the process, but cannot forecast when it will happen. We can discuss this affair later. We expect anyhow to receive more items from you so that we will be in a better position with our leaders. I want to make this point very clear. Iran has been at war for six years. Fao was a great accomplishment. We are expecting more equipment." (S)

McFarlane stated that the agreement which was concluded will be fulfilled to the letter." "A bridge of confidence is a useful metaphor. I have come as an expression of good will. In addition to my own presence, we put items on the aircraft and loaded all the rest on another aircraft which can be brought forward. The corresponding act on your side, a humanitarian gesture, involves the release of our people. While separate and not related, these acts do contribute to mutual confidence. You have my word, the bond of my country, that we will fulfill our agreement." (S)

[REDACTED] replied that "what Iran expected is not here, but as a humanitarian gesture, Iran will send a delegation to Beirut to solve that problem while expecting Iranian logistics needs to be met." He emphasized that no one knows about the McFarlane team's presence in Tehran. The Air Force is suspicious since someone is still on the plane. [REDACTED] suggested that he stay at the hotel instead. (S)

McFarlane said, "we can't do that. Although his presence on the plan may complicate suspicions, he performs communications functions as well as logistics accountability. We can give instructions for him to stay out of sight." (S)

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██████████ said there is no problem with communications. But having him staying on board is a problem because he's at the military airfield. (S)

McFarlane stated that "we need communications all the time. Otherwise there is no way to communicate with the President." (S)

██████████ stressed there is a security problem with Air Force questioning. (S)

Turning back to substance, McFarlane said, "this is a good beginning. We do have much to do and very little time." He argued that the U.S. team's presence here should be kept brief for security. (S)

██████████ opined that "everything depends on good will and restored confidence. But there are some things which cause doubt. We were told that one-half of the equipment would be brought with McFarlane. You did not bring one-half. This behavior raises doubts about what can be accomplished." (S)

McFarlane forcefully interjected to end ██████████ protests. "Let's be clear. I have come. There should be an act of goodwill by Iran. I brought some things along as a special gesture. So far nothing has happened on your side. However, I am confident it will." (S)

██████████ apologized, stressing that he and his colleagues are not decision-makers. "We just give you a message and take your message. But we told our leaders that you would bring one-half of the items." (S)

North noted that the aircraft has weight and fuel limitations. (S)

██████████ commented that some of the spare parts are used. (S)

Angrily, McFarlane replied that "I have come from U.S.A. You are not dealing with Iraq. I did not have to bring anything. We can leave now!" (S)

██████████ said that "We promised things to higher authorities regarding one-half of the items we purchased. Could you have told us it would only be one-fourth due to technical flight requirements? Now we will have internal problems." (S)

██████████ stated that this problem can be solved in parallel with the other problem. A special delegation has already left to deal with the humanitarian problem. "We have all done what we should do." We respect our guests' need? (S)

The meeting concluded at 7:00 p.m. (S)

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Prepared by:
Howard Teicher

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This is an account of the U.S. mission to Tehran from May 25 through May 28, together with some comments and observations. The U.S. team was headed by McFarland with Goode, Mcgrath, Miller and O'neil making up the rest of the team. A communicator also accompanied the team on the trip into Tehran.

The team arrived in Tehran at 0830 hours on 25 May and was left to cool its collective heels for about two hours. During this period the Iranian Air force put on a show in which one by one a squadron of F-4's took off from Mehrabad airport. The planes carried no ordnance and according to the Mehrabad base commander they were flying training missions. According to Gorba, the Iranians recently recieved a shipment of F-4 spare parts and the flights were training flights to bring some of their pilots up to snuff. The first Iranian official to show up who was connected with this operation was [redacted] who was already known to the air crew. The base Commander [redacted] also put in an appearance and made pleasant conversation. He was also there at our departure. It is unclear how much he was cut in on he operation. Gorba showed up about half an hour after our arrival. He said that we had arrived an hour early and this was the reason there was no one at the airport to recieve us. We were later told that the recieving party had gone to the miliary side of the base expecting us to park our plane there. Gorba told us that for security reasons we were being given the entire top floor of the Hiton Hotel, now renamed the Istiqlal (independence). [redacted] finally arrived and after some small talk we departed for the hotel. While still at the airport, Gorba informed us that everything was going well and the Iranians had already dispatched a representative to secure the release of the hostages.

While on the plane McFarland, Goode and O'neil rehearsed a discussion of the briefs which we would run through in the hotel for the benefit of Iranian coverage of the American delegation. In short the play acting was designed to give the brief good sourcing. We expressed our concern out loud that the Iranians would not believe the Soviet invasion plan. We worried hat we could not indicate the real source of the information due to said source's sensitivity. The sensitive source, dubbed "Vladimir" by Goode was described as a Major General who had taken part in two of the war games on the invasion of Iran. O'neil subsequently gave [redacted] a brief glance at the briefing book to whet his appetite and give them something to which they could tie their audio coverage. None of the three briefs were given.

The first substantive meeting took place late in the afternoon of 24 May. The Iranian side consisted of [redacted] a named [redacted] who was introduced [redacted] and a man named [redacted] whom Gorba described as being in their intelligence service. This initial meeting was hostile with the Iranians listing past sins of the United States etc. The meeting ended with what appeared to be little chance of any progress. Basically the American side insisted on adherence to the agreement as we understood it, and the Iranians inisisting that America must do more to atone for its sins. At the end of the Meeting, [redacted] set the tone by saying that even if no progress is made during the discussions, we were their guests and Iranians honored quests. The first crisis occurred later in the evening when the Iranians

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insisted on removing the one crew member who was staying on the plane. They insisted that we had agreed to this at the earlier meeting. McFarland's response to this was that we pack up and leave. O'neil consulted with a young man named [REDACTED] who stayed in the hotel with us during the visit. He had been introduced to us as the one person to contact to solve any problems which might come up. [REDACTED] was very upset that we consulted with [REDACTED] about the plane and referred to it as a breach of security on our part. He insisted that their primary concern was our security and this was adduced as the reason we were to stay couped up on the 15th floor of the hotel. We succeeded in getting a crew member back on the plane the following day. It was clear that the Iranians only wanted to search the plane. The search seemed to satisfy them and we had no subsequent problems on this issue. [REDACTED] was also very upset that we had our own communications (this was reason we gave for having a man on the plane at all times). He argued that Iranian intelligence would pick up the signals and this could jeopardize the security of whole operation. He said that they would put what ever we wished at our disposal including a dedicated telex. We insisted on our own commo and he gradually backed off. The hostile attitude of the Iranians on the first day left us a little uneasy.

On Monday we were left to our own devices throughout most of the day. We finally had another meeting late in the afternoon. At this meeting, another Iranian was introduced as [REDACTED]. He is several cuts above the other members of the Iranian side. He is obviously well educated and very cultured. At this meeting, McFarland outlined the reasons we were in Tehran. We wished to lay the groundwork for a new political and strategic relationship between our two countries. We considered the arms supplies as an example of our good faith and we insisted on the release of the hostages as an example of their good faith. [REDACTED] made the appropriate noises and said that Iran was prepared to have normal relations with every country, except two, Israel and South Africa. McFarland outlined our concerns about soviet designs on Iran and told the Iranians that we would provide them with a briefing which would detail our reasons for concern. He also spoke of Saddam Hussayn's December visit to Moscow in which the Soviets promised Saddam that they would do everything to prevent Iraq from losing the war. [REDACTED] tried some of the usual Iranian bravado by claiming that if the Soviets attacked, the Iranian soldiers would do well against them because of their devotion to shoheda. This was followed by a load of shit on shoheda. On the Iranian side [REDACTED] concentrated on the Hostage issue and [REDACTED] on the arms transactions. [REDACTED] said that they had already heard from their man in Lebanon who said that the group holding the hostages had insisted on several conditions as follows: (1) Israeli withdrawal from the Golan heights (2) Israeli withdrawal from Southern Lebanon (3) Removal of Lahad to East Beirut (4) freeing of the imprisoned Shi'ites in Kuwait, and (5) re-imbursement for the expenses of holding the hostages. [REDACTED] graciously volunteered that Iran would pay these expenses. [REDACTED] argued that we were not upholding our part of the deal because we had promised to bring half the parts with us (no such promise was made). He did not repeat his Sunday claim that the parts we brought were used. He insisted that we bring the rest of the parts before the release of the hostages. We stuck to the terms of the agreement. When things seemed to come unstuck, McFarland got up and said that we would leave if they couldn't uphold their end of the

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bargain. This upset [redacted] who said that McFarland was very firm and stern (ond-ro) and they as Iranians liked to negotiate in a more gentle (narm) atmosphere. What was encouraging about Monday's meetings was that the Iranians were far more friendly than on Sunday.

By this time it was clear that McFarland was not going to meet any of the principles that had been mentioned by Gorba. McFarland then told the Iranians that they could continue negotiations with the American staff and get back to him when some kind of agreement was reached.

[redacted] made a big issue of the problems our presence in Tehran caused them. He stated that a senior official could not afford the political risk of a meeting with McFarland. He pointed out that it was Bazergan's meeting with Brezhnevsky that brought down the Bazergan government. Based on [redacted]'s comments we can take it as a certainty that Khomeini was not briefed on our presence or our mission. He would have to give his blessing before any senior official would dare to meet with a senior American official. We ran into the same problem in our discussions with the Bazergan government. Gorba also let drop that [redacted] one of the senior personages that he had supposedly arranged for us to meet was also not aware of our presence.

Tuesday was a day of marathon negotiations with the Iranians stalling for time and trying to get the most out of the American delegation. The American delegation stuck by the terms of the original agreement and insisted that after the terms of the Frankfurt agreement were met, we would meet and discuss in detail their needs and the outline of our two countries' future relations. The American delegation proposed a specific timing for a subsequent meeting. During the late afternoon it was agreed that the American team would draw up an agreement which would be discussed later in the evening. To save time O'Neil began working on a translation which was later completed by he and Gorba.

During Tuesday's negotiations, all the demands of the hostages holders evaporated except for the demand for the release of the Shi'ite prisoners in Kuwait. Goode handled this part of the negotiations by firmly stating that the United States would not interfere in the internal affairs of Kuwait, particularly in an instance where Kuwaiti due legal process had been carried out. We would however seek to better the condition of Shia prisoners through the good offices of international organizations such as the Red Cross and the Red Crescent. Goode warned that as far as the well being of the Shi'ite prisoners in Kuwait is concerned, there had better not be any more terrorist activity directed at the Royal family in Kuwait.

The draft agreement was the subject of intense negotiations with the Iranians making some counter proposals which were designed to gain them more time. Talks broke off around midnight with the Iranian delegation saying it wanted to caucus. For the next two hours, heated discussions were held within the Iranian delegation. [redacted] both said that the other would be responsible if nothing comes of the negotiations. Finally, shortly before two on Wednesday morning, [redacted] asked to see McFarland. He wanted assurances that we would deliver the remaining spare parts two hours after the hostages were released, and would stay after the arrival of the spare parts to discuss additional Iranian needs. He also asked for more time to get control of the hostages. McFarland gave [redacted] until 0630 Wednesday morning to arrange for the release of the hostages. The American delegation retired to grab a couple of hours sleep knowing that we had at least out-frazzled

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them.

The first Iranian to put in an appearance Wednesday morning was [redacted] who looked totally dejected and refused to make any comment other than salam. The fact that Gorba did not show up also was a clear indication that things had not gone too well. [redacted] put in an appearance to say that they were working hard on the release, but would need more time. He also asked if we would accept two being released immediately and two more after the delivery. He was told that we would leave for the airport after finishing breakfast. We also heard from the aircrew that the plane was being refueled. This had been worrisome for the Iranians had stalled on refueling the plane. [redacted]

The American delegation departed the hotel at about 0730. [redacted] and [redacted] accompanied the delegation to the Airport. [redacted] did not put in an appearance after his final talk with McFarland. At planeside, [redacted] asked to speak with McFarland. He asked for more time saying that arranging for the release was a very delicate and time consuming effort. McFarland told him that the plane with the spare parts was in the air, but if no word on the release of the hostages was heard by 0930, the plane would turn around and return to its base. O'neil was the last of the delegation to board the plane before take-off and he and [redacted] had one last exchange. [redacted] admitted that the hostages were not under their control. O'neil told him to get them under Iranian control. [redacted] said that they would seek to do this and that he would send Gorba to Europe to maintain contact with us. Our aircraft departed at 0900.

The above account is O'neil's outline recollection of what transpired and may differ somewhat from what others recall, but it is needed for O'neil's comments and recommendation to make sense.

COMMENTS:

1. If Gorba does appear, we must press him for positive identification of the people with whom we talked. Since [redacted] actually forget his alias during the course of one evening's discussions, we can assume that the others were using aliases, particularly since we have no traces on [redacted] may not be a true name. [redacted] is an [redacted] name, but [redacted] does not have an [redacted] accent. He is definitely from South Tehran. If [redacted] is an alias it may explain why [redacted] have not been able to identify such a person [redacted]

2. It is quite possible that the Iranian side was negotiating under the impression that we were only interested in a deal for the hostages. This would explain why they tried so hard to get us to do more in exchange for the hostages, i.e., the 20 hawk batteries and the 18 additional hipar radars. It was therefore a good idea to leave a translation of the draft agreement with them as it will give them something to chew on. McFarland issued a stern warning that we are getting fed up with overtures from them that don't pan out. We are interested in a long term political and strategic relationship, and if Iran does not pick up on this opportunity it may be years before there is another one.

3. Ramadan was certainly a factor in how the negotiations went.

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also the problem caused by not being able to see anyone in a position of power. The people we were negotiating with were a couple of rungs down the ladder. The fact that [redacted] breath could curl rhino hide was no help either. On the positive side was the change in the attitude of the Iranian delegation. By Tuesday they were begging us to stay.

4. We also have the problem of a dishonest interlocutor. The Iranian side made it clear that they were upset with Gorba. On Tuesday, [redacted] told O'neil that one of the problems in our negotiations was the fact that prior to our meeting, Gorba gave each side a different picture of the structure of the deal. O'neil made the point to [redacted] that the letters they received were from Gorba, not the U.S. government. We will have to lean heavily on Gorba in the future.

5. Since both Gorba and [redacted] stand to make a lot of money out of this deal, they presumably will work hard to bring it off. Gorba has very special reasons for seeing that the deal goes through. The serious problem we must address is whether the Iranians can gain control of the hostages. [redacted] This could be our real problem. The Iranians side may be most willing, but unable to gain control.

RECOMENDATION

Through hindsight it would have been better for Goode and O'neil to have gone in first to handle the initial negotiations. We should not have subjected a senior U.S. official to the indignities he was forced to endure. We have made the point to the Iranians that the draft agreement must be finally negotiated by senior responsible officials from both sides. If we have a subsequent response from the Iranian side it is strongly recommended that Goode and O'neil meet with the Iranian side somewhere in Europe to continue the negotiations.

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rootnote 25.39
27 may 1980

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTE AS SOON AS POSSIBLE.

I HAVE JUST COMPLETED A THREE HOUR ONE ON ONE MEETING WITH [REDACTED] THE OFFICIAL DESIGNATED BY RAFSANJANI/MUSAVI AND KHAMENEI AS THEIR SPOKESMAN AND WHOM I MENTIONED IN MY FIRST CABLE WHICH YOU RECEIVED THIS MORNING.

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IT WAS A USEFUL MEETING ON THE WHOLE. I SAY THAT IN THE SENSE THAT I WAS ABLE TO PRESENT A BRIEF OF OUR PURPOSES AND PRIORITIES INTERNATIONALLY WITH SPECIFIC EXPLANATION OF OUR GOALS AND INTENTIONS IN THE MIDDLE EAST GENERALLY AND WITH SPECIFIC REGARD TO IRAN. WHAT REGARDING IRAN WE SOUGHT A RELATIONSHIP BASED UPON MUTUAL RESPECT FOR EACH OTHER'S SOVEREIGNTY, TERRITORIAL INTEGRITY AND INDEPENDENCE; THAT WE BELIEVED IN NON-INTERVENTION IN THE AFFAIRS OF ALL STATES AND EXPECTED THEM TO DO THE SAME THING. I THEN DEVELOPED A BRIEF OF OUR SENSE OF THE SOVIET OBJECTIVES IN THE MIDDLE EAST WHICH ARE TO EXPAND ITS INFLUENCE SO AS TO ULTIMATELY BE IN THE POSITION TO DISRUPT THE RESOURCE FLOWS OF THE AREA AND EXPLOIT ITS GEOGRAPHY FOR SELF INTEREST. IT'S INSTRUMENTS FOR ACHIEVING THESE GOALS ARE THE RADICAL ARAB STATES.

THE SOVIETS WOULD GO TO CONSIDERABLE LENGTH TO PREVENT IRAN FROM LOSING TO IRAN. FOR IF THEY DID LOSE, SOVIET CREDIBILITY WOULD BE CATASTROPHICALLY DAMAGED IN THE AREA. WE WOULD EXPECT THE SOVIETS TO GIVE IRAN ALL THE SUPPORT THEY NEEDED AND IF THIS WERE NOT ENOUGH, THEN WHEN THEY WOULD PRESSURE IRAN DIRECTLY WITH MILITARY FORCE.

I WENT ON TO EXPLAIN THAT OUR POLICY REMAINED TO SEEK AN END TO THE WAR AND NOT TO FAVOR VICTORY BY EITHER SIDE: IN THEIR CASE SINCE WE WERE CONCERNED FOR WHAT THEIR LARGER PURPOSES WERE IN THE MIDDLE EAST. ON THE SURFACE THEY APPEARED TO US TO BE DETERMINED TO EXPAND THEIR INFLUENCE THROUGH THE SPREAD OF ISLAMIC FUNDAMENTALISM, RELAYING ON THE USE OF TERRORISM TO ACHIEVE THEIR PURPOSES. CONSEQUENTLY I STATED THAT THEY SHOULD UNDERSTAND THAT WE WERE NOT PREPARED TO GIVE THEM A LEVEL OF ARMS THAT WOULD ENABLE THEM TO WIN THE WAR.

THAT SAID, HOWEVER, WE WERE PREPARED TO ENTER A DIALOGUE TO DETERMINE WHERE THERE MIGHT BE COMMON INTERESTS AND THAT AFGHANISTAN APPEARED TO BE A LEADING CASE IN POINT. WE WOULD ALSO WANT TO DISCUSS NICARAGUA (AND THEIR SUPPORT FOR THE SANDINISTAS) AS WELL AS LEBANON.

FINALLY I PROPOSED A SPECIFIC WORK PROGRAM TO TRY TO INJECT A LITTLE MOMENTUM INTO THE PROCESS. AS A FIRST ITEM, I PROPOSED THAT BOTH SIDES LOWER THE Rhetoric TOWARD THE OTHER (ALTHOUGH WE WOULD CONTINUE TO CALL IT AS WE SAW IT IF TERRORIST ACTS WERE COMMITTED IN MEXICO BY IRANIS). AS A SECOND MEASURE, I PROPOSED THAT WE COMMIT NOW TO A SUSTAINED POLITICAL DIALOGUE IN AN EFFORT TO BRIDGE DIFFERENCES WHERE POSSIBLE (EVEN THOUGH SOME DISAGREEMENTS WOULD REMAIN ETERNAL). THIS MEETING SHOULD BE SECRET BUT COULD TAKE PLACE WITHIN TWO WEEKS EITHER HERE IN TEHRAN OR IN A THIRD COUNTRY OR IN THE U.S. FINALLY I STATED THAT SINCE THE RUSSIANS WERE NO DOUBT MONITORING THE TELEPHONE CALLS THAT HAD BEEN THE BASIS OF BRINGING US TO THIS POINT, IT WOULD BE WISE TO USE MEANS OF COMMUNICATIONS AND THAT THAT COULD BE DONE

VERY EASILY. I ALSO STATED THAT WHILE WE COULD NOT ENVISION PROVIDING A SIGNIFICANT LEVEL OF ARMS, THAT WE MIGHT CONSIDER HAVING A TECHNICIAN VISIT AND REMAIN ON SITE TO HELP THEM GET MORE FROM WHAT THEY HAVE (AS YOU KNOW THEY HAVE TENDED TO WANT TO BUY A NUMBER OF THINGS THAT THEY DO NOT REALLY NEED WHEN THEY COULD BE FIXING ITEMS ON HAND).

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HE LISTENED ATTENTIVELY AND THEN RESPONDED IN LOW KEY FASHION, STRESSING THAT THERE ARE A NUMBER OF AREAS WHERE WE HAVE FUNDAMENTAL DISAGREEMENTS BUT ALSO A NUMBER OF AREAS WHERE THERE ARE COMMON INTERESTS. HE WENT THROUGH THE AREAS OF DISAGREEMENT BUT IN A RATHER FORMAL FASHION. HE THEN GOT TO THE CLING HEF--THEIR EFFORTS TO FREE THE HOSTAGES IN LEBANON. HE REPORTED THAT HIZBOLLAH HAD MADE SEVERAL PRECONDITIONS TO THE RELEASE: 1. ISRAELI WITHDRAWAL FROM THE GOLAN; 2. ISRAELI WITHDRAWAL FROM SOUTHERN LEBANON; 3. LAHAD MOVEMENT INTO EAST BEIRUT AND 4. SOMEONE (UNDEFINED) TO PAY THE BILLS THE HOSTAGES HAVE ACCUMULATED. NOW THAT FOR CHUTZPAH!! HE HURRIEDLY ADDED (BEFORE I UNLOADED ON HIM) THAT "THESE DEMANDS ARE NOT ACCEPTABLE AND WE ARE NEGOTIATING WITH THEM AND BELIEVE THAT THE ONLY REAL PROBLEM IS WHEN YOU DELIVER THE ITEMS WE HAVE REQUESTED."

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I RESPONDED THAT I WAS GLAD TO HEAR THAT HIS GOVERNMENT WANTED TO SOLVE PROBLEMS AND SET A POLITICAL DIALOGUE IN MOTION BUT THAT I HAD TO SAY THAT THE OTHER MATTERS HE HAD STATED LED ME TO BELIEVE THAT SUCH A DIALOGUE WOULD NEVER GET STARTED AT ALL. I THEN EXPLAINED FOR HIM THE HISTORY OF HOW WE HAVE REACHED THIS POINT (BEARING IN MIND THAT HE HAS BEEN GETTING ONLY THE GORBA/VERSIONS).

I THEN CAREFULLY RECOUNTED HOW IN THE COURSE OF THE PAST YEAR, WE HAD NEGOTIATED AGREEMENTS ONLY TO HAVE THEM ALTERED AT THE THE LAST MOMENT OR DELAYS IMPOSED WHICH HAD LED TO AN EXTREMELY HIGH LEVEL OF FRUSTRATION ON THE PART OF THE PRESIDENT AND THAT HE HAD ONLY RELUCTANTLY AGREED TO THIS MEETING UNDER A VERY CLEAR AND PRECISE UNDERSTANDING OF THE ARRANGEMENTS. I THEN WENT OVER IN DETAIL WHAT THOSE ARRANGEMENTS WERE: 1. THE U.S. WOULD SEND A HIGH LEVEL DELEGATION TO TEHRAN. THEY WOULD BRING WITH THEM A PORTION OF THE ITEMS THEY HAD REQUESTED AND PAID FOR (WHICH WE HAD DONE). 2. UPON OUR ARRIVAL, THEY HAD AGREED TO SECURE THE RELEASE OF THE HOSTAGES PROMPTLY. 3. UPON RELEASE OF THE HOSTAGES TO OUR CUSTODY, WE WOULD CALL FORWARD THE BALANCE OF ITEMS THAT HAD BEEN PAID FOR AND THOSE THAT HAD NOT BEEN PAID FOR WOULD BE DISPATCHED AS SOON AS PAYMENT HAD BEEN RECEIVED.

AT THIS POINT HE BECAME SOMEWHAT AGITATED WANTING TO KNOW JUST WHO HAD AGREED TO THESE TERMS. (I FINGERED GORBA AND HE STATED THAT THESE WERE NOT THE TERMS AS HE UNDERSTOOD THEM. THE BASIC DIFFERENCE WAS THAT THEY EXPECTED ALL DELIVERIES TO OCCUR BEFORE ANY RELEASE TOOK PLACE. I STATED FIRMLY THAT WHILE MISUNDERSTANDINGS HAPPEN, I WAS CONFIDENT THAT IT HAD NOT BEEN ON OUR SIDE FOR WE HAD TWO WITNESSES TO THE AGREEMENT. MORE IMPORTANTLY, HOWEVER, REGARDLESS OF MISUNDERSTANDINGS, THERE WAS SIMPLY NO LATITUDE FOR ALTERING THE AGREEMENT AT THIS TIME. DUE TO THE TORTURED HISTORY I HAD RECOUNTED, THE PRESIDENT HAD REACHED HIS LIMIT OF TOLERANCE AND THAT THIS VISIT WAS THE LAST ATTEMPT WE WOULD MAKE. MY INSTRUCTIONS WERE TO RETURN TONIGHT TO WASHINGTON. I STRESSED THAT WE WERE PREPARED TO CALL THE OTHER AIRCRAFT FORWARD AS SOON AS WE RECEIVED WORD THAT THE HOSTAGES WERE RELEASED AND EVEN TO DO SO WITHIN A COUPLE OF DAYS AFTER WE HAD LEFT IF THEY WERE NOT RELEASED TONIGHT BUT THERE WAS NO POSSIBILITY OF CHANGING THE TERMS.

HE WAS OBVIOUSLY CONCERNED OVER THE VERY REAL POSSIBILITY THAT HIS PEOPLE (GORBA AND) HAD MISLED HIM AND ASKED FOR A BREAK TO CONFER WITH HIS COLLEAGUES. I AGREED NOTING THAT I HAD TO LEAVE TONIGHT. (ACTUALLY I DON'T HAVE TO LEAVE TONIGHT BUT RECOGNIZING THAT WE HAVE BEEN HERE FOR THREE WORKING DAYS AND THEY HAVE NOT PRODUCED I WANTED TO TRY TO BUILD A LITTLE FIRE UNDER THEM.) RIGHT NOW THEY ARE UNDER THE UNDERSTANDING THAT WE WILL ALL BE LEAVING. THEN ASKED WHETHER I COULD LEAVE ANYONE BEHIND AND I SAID NO.

SEPARATELY THE REST OF OUR DELEGATIONS HAD BEEN MEETING TO GO OVER A LETTER THAT THEY HAD DRAFTED WHICH SUPPORTED TO SHOW WHAT WE HAD AGREED TO IN TEHRAN. THIS HAD BEEN DISCUSSED LAST NIGHT AS WELL, WITH GORBA BASICALLY CONVINCING AN INCREASINGLY UNPERSUASIVE

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PLAUSIBLE TO HIM. OLLIE, CAVE AND NIK ARE ALL CONFIDENT OF THEIR GROUND BUT UNDERSTAND THE PROBABILITY THAT COFEA OF ~~COFEA~~ OR BOTH HAVE OVERSOLD THEIR ACCOMPLISHMENT.

AT THIS POINT IT IS HARD TO KNOW WHERE THIS WILL LEAD. WE HAVE HEARD NOTHING FROM BEIRU---HAVE YOU? I TEND TO THINK WE SHOULD HOLD FIRM ON OUR INTENTION TO LEAVE AND IN FACT DO SO UNLESS WE HAVE WORD OF RELEASE IN THE NEXT SIX OR SEVEN HOURS. I CAN IMAGINE CIRCUMSTANCES IN WHICH IF THEY SAID TONIGHT THAT THEY GUARANTEE THE RELEASE AT A PRECISE HOUR TOMORROW WE WOULD STAND BY. BUT NOT AGREE TO ANY CHANGE IN THE TERMS OR CALL THE AIRCRAFT FORWARD.

PLEASE CONVEY THIS TO THE PRESIDENT AND WE WILL PROCEED AS DIRECTED. MY JUDGMENT IS THAT THEY ARE IN A STATE OF GREAT UPSET, SCHIZOPHRENIC OVER THEIR WISH TO GET MOPE FROM THE DEAL BUT SOBERED TO THE FACT THAT THEIR INTERLOCUTORS MAY HAVE MISLED THEM. WE ARE STAYING ENTIRELY AT ARMS LENGTH WHILE THIS PLAYS OUT. WE SHOULD HEAR SOMETHING FROM THEM BEFORE LONG. HOWEVER, WHEN YOU GET WORD ORD IT MAY BE BEST IF YOU CALL ME ON THE FRY 250--BOB EARL CAN ARRANGE IT FOR YOU.

WARM REGARDS TO ALL. JGRG/IF+4 //1n\WB@n:JW*\cVPjRs+q((T,2c\&nCix":3N\CE
w7uQ:64Mu:23o
1AMBo:-121(H)3311e'F1
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Chapter 15, footnotes 18, 21-29

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PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTER
AT OPENING OF BUSINESS TUESDAY, MAY 27.

DELEGATION ARRIVED TENKRA SUNDAY MORNING. ABSENCE OF ANYONE TO RECEIVE US FOR OVER AN HOUR AND RECURRENT EVIDENCE ~~ANXIETY~~ INEPTITUDE IN EVEN THE MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TASK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEAR
ATTACK, A SURVIVING ~~TALABANI~~ VICE PRESIDENT; A RECENT GRAD STUDENT BE
CAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL
DISCOURSE WITH FOREIGN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS
LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSI-
NESS REQUIRES A RETHINKING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSTRA-
TING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNA-
FUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICA-
L LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS T-
HAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CAN
PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT, WE WERE MET BY GOREA
 TOLKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSIDERABLE SECURITY (CI) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED OUR FIRST MEETING AT 1700LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION' SESSION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVOLUTION; HAD NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A STRONG INDEPENDENT, NON-ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITUATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FIRST, IT SEEMED CLEAR TO US THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIONS VIS A VIS IRAN THAT WE WOULD BE PLEASSED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER CIRCUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHETHER IN OVERBORNE OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE

D GOLF

EA AND ONE OTHER FUNCTIONARY.

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SPIRIT OF GOOD WILL. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EASY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL MESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVEL OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORDA HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT WITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMBLING. OUR INTERLOCUTORS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGHT ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY REBUTED AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON THE HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY ASSURED THAT WE PROPOSE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; BASICALLY AN ELABORATED STATEMENT OF THE TWO STAGE APPROACH TO RESOLVE THE

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... OF THIS BREACH OF FAITH AND INSOLENT BEHAVIOR... WE

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EXPECTED TO BE CORRECTED FORTHWITH.

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THIS MORNING, AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FRO ON THEIR SIDE [REDACTED] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAT THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY, SINGLE, GORBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCIES.) [REDACTED] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUPPLIES OF OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

WE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY MORN-
NING. AS IT TURNED OUT THIS MAN NAMED [REDACTED] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGU-
ERS WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME
EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND
ND PHAMENEI (PRESIDENT) ARE EACH TRAUMATIZED BY THE RECOLLECTION THAT AFTER
BAZARGAN MET WITH BREZHEVSKI IN THE SPRING OF 1980, HE WAS DEPOSED (SO STRONG
WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN). TODAY I
HE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING
THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISTAN
AND PERHAPS EVEN AGAINST IPAR.) BUT THEY STILL CANNOT OVERCOME THEIR HOPE
IMMEDIATE PROBLEM OF HOW TO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF
THIS LAST MAN [REDACTED] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION
OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVE
WE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SWOONED BY SERIOUS DIALOGUE WITHOUT
ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE
HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A HUNDRED
OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY
STRESSED TO [REDACTED] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC
C REAFFIRMATIONS THAT STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY,
ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS
THE AGENDA, I INTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVEN-
ING SUMMONS FOR HIM

TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE EXTREME RHETORIC
ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF
TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN
US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A
TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR
ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR
RELEASE IS THE SINE QUA NON TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS
NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT
THE BALANCE OF THIS SHIPMENT WILL NOT BE DELIVERED NOR WILL ANNUAL FINANCIAL
ANCE BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE WE STAND, IT SEEMS CLEAR THAT WE ARE DEALING WITH
PEOPLE AT THE TOP WHO: 1. UNDERSTAND THAT THEY HAVE AN IMPORTANT INTEREST

IN ORDER TO ESTABLISH A DIALOGUE THAT LEADS TO A PERIOD OF COOPERATION WITH

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W US. 3. THAT DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR
A E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. WE
ARE VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FACTIONAL ATTACK IF THEY ARE DIS-
COVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT
PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPETENT
OFFICIALS BELOW THE VERY TOP AND NEED HELP.

SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR
US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE FAIRFULLY SLOW. AS WE
PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT SIX
TOM THEY REALLY ARE RUG MERCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS
BECAUSE IT IS A MATTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW
3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY
GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL
INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. *HOPE YOU HAD A NICE WAKEUP. YOU
GUYS ARE DOING A FANTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEW
EARTH.

THIS ENDED

Chapter 13, Footnote 30

~~SECRET/CONFIDENTIAL~~~~UNCLASSIFIED~~NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508SYSTEM IV
NSC/ICS 40425Partially Declassified / Released on 11 July 1987
under provisions of E.O. 12356
by B. Reger, National Security Council

6345

13-30

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.Robert C. McFarlane
Oliver L. North
George Cave
Howard TeicherIsrael

Amiram Nir

IranDATE: May 26, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 3:30 p.m.

North stated that "we are confused and concerned. We have tried for months to come to a point where we could talk government-to-government. Some in our government opposed. McFarlane favored. I was convinced that necessary arrangements had been made. We received President Reagan's permission to proceed. We have now been here for over a day and no one will talk with us. Where are we going? Nothing is happening." (S)

██████████ replied that he wondered "why we came to this situation. We were both happy last night. Why are you now confused? We are working to make things happen. We have similar problems with our people, but don't see any insurmountable problems. I understand McFarlane is unhappy about something. I want to see McFarlane." (S)

North spoke privately with McFarlane who agreed to see ██████████ and ██████████ at 3:30. The meeting resumed at 3:30 with McFarlane. ██████████ stated he is at McFarlane's service to solve his problems. "I want to remove obstacles. Sorry. I want to solve problems, misunderstandings, so they won't be repeated." (S)

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McFarlane said he was pleased to hear that [redacted] was committed to solving problems. "My purpose in coming was to establish a basis of trust and after that to address important problems. Before coming, my President and I believed preliminary problems affecting mutual trust were resolved by the staff. On your part, bringing about the release of hostages. On our part, providing some defensive supplies. But upon arriving, I learned that the steps had not been taken by your government. That is disappointing. The more important purpose is to share with your Ministers how to restore a basis of trust between us. There are crucial matters related to the Soviet Union, Afghanistan and Iraq that we should discuss. But we cannot begin to address these matters until preliminary problems are solved. Perhaps your government is not ready to deal with these larger issues. Maybe we should wait for another day. But I must depart tomorrow night. I would like to meet with your Ministers. But I cannot if preliminary problems have not been solved. I have no more to say." (S)

[redacted] said, "We seem to be moving in a positive direction. I hope we will overcome these problems. Yesterday we mentioned the Air Force problem. We are only concerned over leakage. There is no problem sending someone to the plane whenever they need to. We thought it understandable that you would go back and forth to communicate. On top of everything else, you are our guest and we respect our guest on top of all else. The delay at the airport was due to your early arrival. Our main problem is that we cannot inform staffs. Regarding your gifts, we held them for security reasons. We will bring them back now, same as passports. The delay is due to the difficult effort needed to make everything work out. At 4:00 p.m., a gentleman with higher authority will be here." (S)

McFarlane repeated that "there are important things to discuss about the future. But this entire visit will surely provide us with indications of your commitment and good faith. So far the experience has not been a happy one. I am here to deal with larger problems. As soon as problems you are working on are solved, I am prepared to meet with your Ministers. No other meetings are necessary." (S)

[redacted] said he had no authority to decide on these matters. The important authority will arrive at 4:00. McFarlane said he would not meet this person. He came to meet with Ministers. The staff can meet this other person. (S)

[redacted] argued that the Iranians were having problems trying to arrange a Ministerial meeting. "We have to build up to that stage." (S)

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McFarlane said he did not want to interfere with [REDACTED] problems. "Work with my staff." (S)

[REDACTED] said his government had now appointed a high authority to follow up. This will help to open the stage. (S)

McFarlane expressed his great disappointment. "We understand it takes time to make a decision to renew a dialogue with the U.S. But I must return to Washington tomorrow night. The preliminary problem in Lebanon must be overcome. I hope your Minister will come to my country next year. He will be received by my President. As I am a Minister, I expect to meet with decision-makers. Otherwise, you can work with my staff." (S)

[REDACTED] said at the start of relations, there are always misunderstandings. (S)

McFarlane agreed, wishing the Iranians "good luck." (S)

The meeting ended at 4:00 p.m.

Prepared by:
Howard Teicher

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Chapter 13, Footnote 31

~~SECRET/SENSITIVE~~NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20505SYSTEM IV
NSC/ICS 40425

6346

MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

13-31

PARTICIPANTS:

U.S.
Oliver L. North
George Cave
Howard TeicherIsrael
Amiram NirIranDATE: May 26, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 9:30 p.m.

[REDACTED] said he was very pleased to welcome the delegation in Tehran. (S)

North stated that "we have a great opportunity to establish a relationship between our countries. There is a long history of unfortunate relations which cannot be forgotten in a minute. Men of good will have a chance to build a bridge of confidence. We may be able to work toward a common goal. Hope you've seen the proposed agenda. It provides a basis for discussion between our leaders. There is a technical agenda as well. All contribute to this great opportunity. I explained our respective commitments and the process to the President. Perhaps we came prematurely, with our hopes too high. Our hope was to remove certain hurdles to a better relationship. We understand it is hard for both our countries. But we have acted in good faith. The key is in your hands. It is not easy to turn that key. Misunderstandings have occurred. We have put them aside." (S)

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under provisions of E.O. 12356
by S. Regar, National Security Council~~SECRET/SENSITIVE~~
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by S. Regar

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[redacted] said "you did a great job coming here given the state of relations between us. I would be surprised if little problems did not come up. There is a Persian saying: Patience will bring you victory -- they are old friends. Without patience, we won't reach anything. Politicians must understand this." (S)

North thanked [redacted] noting that this shows the value of being able to talk. "There are factions in our governments that don't want something like this to succeed. This is why McFarlane grew angry when things didn't take place as I suggested they would. He took a risk urging our President to do this. There is great opposition to this project. We have to be able to show progress, not for personal reasons, but for the future. This is not a deal of weapons for release of the hostages. It has to do with what we see regarding Soviet intentions in the region. We accept the Iranian revolution and respect your sovereignty. Some people want to ensure that our countries find a common foundation for the future." (S)

North continued that there are areas of agreement and disagreement. "What we had hoped was to agree on the direction for a dialogue between Iran and the U.S. Political decisions will be required. We may not agree this week or year. But this process must begin. It can begin in total secrecy, with certain non-political actions." (S)

[redacted] asked whether the U.S. can keep a secret? (S)

North said "We will try. But one of the greatest liabilities is a lack of secure communications." (S)

Nir said there are ideas on this problem. It is a subject for technical discussions. (S)

North offered to show the Iranians a device. "We can secretly put someone here. We know the Soviets are trying to find out what we are up to. We know the Soviets know a little bit about this and are trying to find out more. They will make a major effort to expose us. Our major hope is to pacify this opposition through technical measures. If your government can cause the release of the Americans held in Beirut, 10 hours after they are released, aircraft will arrive with HAWK missile parts. Within 10 days of a deposit, two radars will be delivered. After that delivery, we would like to have our logistics and technical experts sit down with your experts to make a good determination of what is needed. We need a technical survey. It must be done very secretly. However, if we go home without setting aside obstacles, there will be new obstacles." (S)

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[REDACTED] asked which obstacles? (S)

North replied, "The release of the U.S. citizens. You said it was difficult for us to come here. We also know it was difficult for you to invite us." (S)

Nir said that the back and forth on arms has tested the patience of the President. Hostage release is important as demonstration of Iranian influence and good will. (S)

[REDACTED] asked to hear about the U.S. perception of the Soviet threat. (S)

Teicher summarized the Soviet military posture and threat around Iran. There are 26 divisions. The military districts in the Trans Caucasus have been reorganized and improved. Exercise activity has intensified with respect to military action against Iran. The Soviets are increasing the frequency of their cross-border strikes into Pakistan and occasionally Iran, while initiating a terror campaign in Pakistan. He stressed the importance of beginning a dialogue on the Soviet Union for both Iran and the U.S. (S)

[REDACTED] said, "there are training camps for Mujhadeen in Iran. Weapons and logistics support are provided. We are ready to send troops into Afghanistan. The Russians already complain about Iranian bullets killing Russians." (S)

North asked it if would help to provide the Mujhadeen with TOWs? (S)

[REDACTED] said the T-72 is not the best weapon against the Mujhadeen. Gas, napalm, and other criminal actions are their biggest problem. One million innocent victims. "Primary difficulty is not TOWs, though, we can cooperate with you in this area. The chemical warfare equipment is too developed. We need help curing wounded. Many die due to lack of first aid. Do you have anything more to say about Russians?" (S)

Cave said we have eight hours worth of briefing materials. (S)

[REDACTED] said he was ready for a detailed intelligence briefing, and agreed to the agenda without change. "We are ready to listen in all areas. Though we know we won't agree in every area, we will agree on some subjects. We have to bring up some subjects from the past, around the revolution. We don't need to discuss what came before. We believe that the United States Government from 1356 (one year before the revolution) made mistakes against all peoples. Our own belief is that our

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revolution is greater than the French or Russian Revolutions. There have been more changes. Today we feel many in the third world are thinking as revolutionaries like us." (S)

"You see many pictures of Khomeini in the Afghan trenches, [redacted] continued. "He is their leader. We see the Imam's picture in South Africa, Lebanon, and West Africa. There are protests in Marrakesh. We didn't send this picture in the mail. We have no relations with Morocco that would allow us to give them the Imam's picture. The influence of this revolution has passed to many Moslems. Islamic countries express themselves honestly. But there is bad propaganda against us in America and Europe. We have been victimized by more terrorism than anyone else. The President, Prime Minister, Minister of Justice, 10 percent of Parliament, clerics, and innocent, have all been killed by terror. What the Afghans are doing is not terrorism. But we don't call action in South Lebanon against Israel terror." (S)

"We are against kidnapping," [redacted] said. "What happened here was exceptional. Because of one exceptional act we should not be considered terrorists. When we turn to the subject of our relations, there are many serious things to say. We saw past U.S. leadership trying to destroy all the bridges of confidence. We did not start confronting you. This was not the clergy, army, or party. It was the people. In such a revolution, there is no law and order. Not one drop of American blood was spilled one year after the revolution. American military advisers took all their belongings, as well as things they should not have taken. The memoirs of Ambassador Sullivan show it was a mass revolution. But the U.S. supported Bakhtiar, who confronted us harshly. We do not accept that. We did not see you sitting alone doing nothing. If there is only one other country in the world against the Soviets, it is Iran. We have a famous saying: Enemy of your enemy is your friend. You don't see it this way. Because we are neither east nor west, you are both pulling us. Neither the U.S. nor the Soviet Union likes independent states." (S)

[redacted] said, "I am sorry to be so harsh. But I need to be frank and candid to overcome differences. We have the same problem that you have. Some here oppose relations with the U.S. I am happy to hear you believe in an independent sovereign Iran. We are hopeful that all American moves will be to support this dialogue. But we feel the whole world is trying to weaken us. We feel and see the Russian danger much more than you. You see the threat with high technology. We feel it, touch it, see it. It is not easy to sleep next to an elephant that you have wounded. To weaken Iran does not mean the Soviets want Iran. It means they want to reach the warm waters of the Gulf. Our Gulf

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neighbors know this. We share thousands of kilometers of land and water border. If we are weakened, you can forecast what will happen." (S)

After a pause, [REDACTED] continued, "When we accepted your team with McFarlane, it symbolized a new political development here. But there has been a misunderstanding. When we accepted his visit, it did not mean a direct dialogue would occur on the spot. It is too early at this stage." (S)

The discussion adjourned for a watermelon break. Detailed discussion resumed over difficulty of spare parts delivery. [REDACTED] said he would try to arrange for an Iranian 747. (S)

[REDACTED] resumed the discussion of bilateral relations. "Our relations are dark. They are very bad. Maybe you don't like to hear it, but I must be outspoken. The Iranians are bitter. Many Iranians call America the Great Satan. The first revolutionary government fell because of one meeting with Brzezinski. As a government, we don't want to be crushed tomorrow. We want to stay in power and solve these problems between us. We should not insist on special issues or a Ministerial meeting. There was no agreement that when McFarlane led the team it would lead to Ministerial meetings. Let us turn the key in a way that will work. We don't see the release of hostages as the key. You all must know that establishing this dialogue is the greatest challenge. China, Russia, Lebanon are easy. If you wanted formal meetings, McFarlane would have been received differently." (S)

North stated that he had told McFarlane that he would meet Speaker Rafsanjani, Prime Minister Mousavi, and President Khomeini. "I was told this would happen," North said. McFarlane and Kissinger made three trips to China to set up meetings for the President. (S)

[REDACTED] asked why was McFarlane promised there would be Ministerial meetings? (S)

North repeated that Ghorbanifar, in George Cave's presence, had stated that the U.S. team would meet with the senior leadership. (S)

[REDACTED] interjected that it had been previously agreed that North would come to Tehran to make arrangements and set the agenda. But North did not come. "We did not mention McFarlane. The last phone call did not mention Ministerial meetings. We did not agree to such meetings for McFarlane. We keep our word." (S)

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██████████ said the Iranian side wants to solve the whole problem. "Iran does not just want to discuss spare parts. I want to state clearly, we do not encourage terror. We are not involved in terror. Even the Imam officially condemned skyjacking. We accept that we have influence in Lebanon. Many Islamic groups in Lebanon respect the revolution. We sent a man to Lebanon. We are very hopeful that we can help you and solve this problem. By solving this problem we strengthen you in the White House. We are waiting for an answer. As we promised, we will make every effort. We are working right now. We hope to get you news about the situation tomorrow. We will finish the job without waiting for the other parts. Regarding the agenda, we are willing to discuss all the items you proposed, especially where we have a mutual interest. Afghanistan, the Soviets, Iran-Iraq War, Lebanon. We are ready to discuss. We have some objections to your positions on some of these issues. I have been appointed to represent Iran in this dialogue. I hope this will be a good start." (S)

North asked whether ██████████ thought it was possible to convince those who hold the Americans to release them? (S)

"I answered you, ██████████ replied. "They're difficult to deal with. But anything we start we are hopeful about." (S)

North said if that succeeds, the other aircraft and other things would be delivered. "Can a secret meeting be arranged with McFarlane and your leaders?" (S)

██████████ said he would have to wait or come back. "You can be sure that this will be conveyed. But 10 days is so early. We believe that after the hostages are free and the deliveries completed, there will need to be more positive steps." (S)

North argued that he did not believe we should further the relationship with give and take. ██████████ got bad advice. Some of the parts Iran asked for it does not need. "Why do you need twenty radars? You should fix your radars rather than buy new ones." (S)

Nir said, "we need to deliver a system that would allow both sides to exchange technical data, advice, and information. A long-term system is required. Such a development can only be agreed at the top." (S)

██████████ said Nir was right. But North said the U.S. already knows what is needed. (S)

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██████████ said Iran worries about the Russians. "They have missiles that can reach Tehran, as well as high altitude jets. You can't compare quality and quantity of our weapons. But the will of the Iranian people is greater than the Soviet people. I myself have a sister with two sons who were martyred in the war. One body was not even found. Two others are handicapped. All four were volunteers. I have a young brother who was not accepted as a volunteer. He took his older brother's ID when he returned from Ahwaz. Martyrdom is great. We congratulate the family of martyrs with congratulations and sorrow. During Ramazan we ask God to let us be a martyr if we are to die. Ramazan is the night of fate and power. Russians sell their rifles and prisoners for cash. Such a Russian can't fight an Iranian. But if we try to get such technology to strike them they will not fight. Islam tells us to be strong to prepare to fight. Millions of Soviet Moslems listen to our influence. Many believe the Imam is their leader, not Gorbachev. They are real Moslems. Secret groups in the Soviet Union print the Koran and distribute it. Their heart is on this side of the border. If we put aside nuclear power, we don't think Russians will take advantage of Iran. Of course everything is possible with these people."

██████████ continued, "We appreciate and want to discuss everything with you. There is \$2.5 billion deal. No one knows what it is. Rafsanjani said officially Iran is ready to buy weapons from America. This was a very positive statement. We really find more confidence and trust in our discussions. We hope in this way we can have a general dialogue before we come to the technical level. We want TOWs, especially with technicians. Easier to operate than MILAN. We would appreciate your advice on F-14/phoenix and harpoon missiles. You know how our people face you in public. When the spare parts come on a large-scale, the public will naturally know where they come from. The Air Force, land forces, Pasdarans will see. But they don't need to know about the dialogue, etc. Naturally, after some of this movement, our leaders could meet and accept this change officially. We rule on the basis of the people. We respect our people's will. This is our policy. The people hear the Parliament. Three sessions a week. We have to prepare the people for such a change. Step by step. We need to prepare the nation. Meetings between U.S. and Iranian leaders will take place publicly in this context. If you are serious about solving problems, I am sure official trips and high-level meetings will take place. The Imam has said we are ready to establish relations with all the world except Israel. But you have to remove the obstacles. This is why we are ready to discuss the agenda as you gave it with some changes. Speed up what has been agreed. You are a real superpower. I hope you don't mind being a superpower. You have much more capability. A few 747s can carry a lot in one day. We would be very pleased to discuss our specific needs." (S)

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Teicher asked why the meetings cannot take place now. "Rafsanjani has acted and spoken in a way that indicates Iran could benefit from a dialogue. [REDACTED] just stated that the Imam said Iran is ready to establish relations with all the world except Israel. What is the problem?" (S)

[REDACTED] explained that the leadership is affected by people and influences people. It is an interactive condition. "It's not whatever the Imam says. His word is accepted because he talks from the heart of the people. This is why the leadership of Iran is not something dogmatic. It is not a dictatorship, religious or otherwise. The leadership depends on wisdom of public opinion. After death of Brezhnev, Iran sent a delegation. The leadership was attacked by the nation for this act. No one went out to Chernenko's funeral. If you are serious, everything can be solved." (S)

North said, "The U.S. wants to help Iran so others won't attack it. We need to work to broaden this understanding. I will urge McFarlane to meet with [REDACTED]. He doesn't always take my advice. Such is the fate of all advisors." North also asked the Iranian delegation to consider whether Iran would want the U.S. Government to express appreciation to Iran if four Americans go free. (S)

[REDACTED] said, "Understanding can lead to action." (S)

[REDACTED] proposed reconvening at 10:00 a.m. on May 27 to review the agenda. "We should keep the Iranian experts out for now to keep the numbers small. Let us keep it political. We can decide later if experts are to be included. That agenda may be different. We will decide on a framework to implement what we agree to and how to establish secure communications. That will require high-level agreement." (S)

The meeting ended at 1:50 a.m. (S)

Prepared by:
Howard Teicher

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PAUL

N 1334

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDE
TEA AT OPENING OF BUSINESS TUESDAY MAY 27.

DELEGATION ARRIVED TEHRAN SUNDAY MORNING. ABSENCE OF ANYONE TO RECEIVE US F
OF OVER AN HOUR AND RECURRENT EVIDENCE ~~ANXIETY~~

WAGNER IN THE
MOST STRAIGHTFORWARD DISCOURSE MAKES IT CLEAR THAT WE MUST TAKE A STEP BACK
FROM THE HISTORY OF THE PAST 8 YEARS AND PUT OUR TASK IN A DIFFERENT LIGHT.

IT MAY BE BEST FOR US TO TRY TO PICTURE WHAT IT WOULD BE LIKE IF AFTER NUCLEAR
ATTACK, A SURVIVING ~~TALIBAN~~ VICE PRESIDENT; A RECENT GRAD STUDENT BE
CAME DEPUTY SECRETARY OF STATE; AND A BOOKIE BECAME THE INTERLOCUTOR FOR ALL
DISCOURSE WITH FOREIGN COUNTRIES. WHILE THE PRINCIPALS ARE A CUT ABOVE THIS
LEVEL OF QUALIFICATION THE INCOMPETENCE OF THE IRANIAN GOVERNMENT TO DO BUSI
NESS REQUIRES A REEXAMINING ON OUR PART OF WHY THERE HAVE BEEN SO MANY FRUSTRA
TING FAILURE TO DELIVER ON THEIR PART. THE OTHER REASON FOR THE SEVERAL SNA
FUS HAS BEEN THE EXTREME PARANOIA THAT DOMINATES THE THINKING OF THE POLITICA
L LEADERSHIP HERE. MORE ABOUT THIS LATER. FIRST LET ME DEBRIEF THE MEETINGS T
HAT HAVE BEEN HELD BEFORE GIVING YOU A SENSE OF WHERE AND HOW FAST MATTERS CA
N PROGRESS.

ONCE MATTERS WERE SORTED OUT AT THE AIRPORT, WE WERE MET BY GORDA ~~██████████~~
TAKEN TO THE HILTON HOTEL AND INSTALLED IN THE TOP FLOOR ALONG WITH CONSI
DERABLE SECURITY (C1) PEOPLE FROM THEIR SIDE. AFTER A SHORT REST WE CONVENED
OUR FIRST MEETING AT 1700LOCAL SUNDAY AFTERNOON. IT WAS A 'FOUNDATION SESS
ION IN WHICH WE ESTABLISHED THAT WE ACKNOWLEDGED THE IRANIAN REVOLUTION; HAD
NO INTEREST OR INTENTION IN TRYING TO REVERSE IT; INDEED BELIEVED THAT A STR
ONG INDEPENDENT, NON-ALIGNED IRAN WAS IN THE US INTEREST BUT THAT SUCH A SITU
ATION WAS UNLIKELY TO BE POSSIBLE IN OUR JUDGMENT FOR A NUMBER OF REASONS. FI
RST, IT SEEMED CLEAR TO US THAT THE SOVIET UNION WAS PREPARED TO GO QUITE FAR
TO PREVENT AN IRAQI DEFEAT IN THE WAR AND MAY WELL HAVE AMBITIONS VIS A VIS
IRAN THAT WE WOULD BE PLEASSED TO DISCUSS DURING OUR TALKS. FOR OUR PART, WE
CAN ENVISION RESTORATION OF A NORMAL RELATIONSHIP WITH IRAN BUT NOT UNDER LUK
CUMSTANCES IN WHICH THEY WORK AGAINST OUR INTERESTS WHATEVER: TERRORISM
OR SUPPORT FOR SUBVERSION OF OUR INTERESTS IN NICARAGUA AND ELSEWHERE.

OUR INTERLOCUTORS WERE ~~██████████~~

D GOF

ER AND ONE OTHER FUNCTIONARY.

THEIR RESPONSE TO ALL THIS WAS ON THE WHOLE EXPRESSED IN A SPIRIT OF GOOD WIL
L. "WE ARE OPEN TO A STABLE RELATIONSHIP WITH THE U.S. BUT IT WILL NOT BE EA
SY TO OVERCOME A BITTER HISTORY ETC ETC" BUT IN A LARGER SENSE THE CENTRAL M
ESSAGE TO US WAS HOW UNCERTAIN, FEARFUL AND TIMID THESE THIRD AND FOURTH LEVE
L OFFICIALS WERE. FURTHER, IT HAS BECOME MORE AND MORE CLEAR THAT WHILE GORDA
HAS BROUGHT US TO THE BEGINNING OF A DIALOGUE WITH THE GOI, HE HAS DONE IT W
ITH CONSIDERABLE HYPERBOLE, OCCASIONAL LIES AND DISSEMPLING. OUR INTERLOCUTO
RS' DEFENSIVENESS WAS EXPRESSED THROUGH A DIATRIBE ABOUT HOW WE HADN'T BROUGH
T ENOUGH SUPPLIES AND THUS WERE ACTING IN BAD FAITH. THIS WAS EASILY REFUTE
D AND THEY WERE PUT ON THE DEFENSIVE REGARDING THEIR FAILURE TO PRODUCE ON TH
E HOSTAGES BUT IT MADE CLEAR THE NEED TO GET BEYOND THEIR LEVEL IF WE ARE TO
DO ANY SERIOUS BUSINESS HERE. THE MEETING ENDED ON A HARMONIOUS NOTE. THEY AS
KED THAT WE PROPOSE AN AGENDA FOR TODAY'S MEETINGS. WE DID SO LAST NIGHT; DAS
HALL AN APPROPRIATE STATEMENT OF THE TOP LEVEL OF RELATIONS BETWEEN THE TWO

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EXPECTED TO BE CORRECTED FORTHWITH.

N 1335

THIS MORNING, AFTER APPARENTLY CONSIDERABLE INTERNAL TO AND FROM THEIR SIDE [REDACTED] WAS DISPATCHED TO APOLOGIZE AND TO SAY THAT THEY WANTED THE MEETINGS TO SUCCEED. (LATE ENTRY: BEGINNING WITH OUR ARRIVAL AND FREQUENTLY SINGLE. BOBBA HAS CONTINUED TO SAY "THE HOSTAGES WILL BE RELEASED AND THINGS ARE GOING IN THE RIGHT DIRECTION AND DON'T WORRY" AND OTHER RHETORICAL IRRELEVANCE S.) [REDACTED] ALSO SAID THAT THEIR LEADERS HAD DESIGNATED AN OFFICIAL WITH HIGHER AUTHORITY THAN THEY TO COME TO MEET WITH US THIS AFTERNOON (MONDAY). I MADE CLEAR THAT IF HE WAS COMING TO SPEND NEEDLESS TIME DISCUSSING THE SUPPLIES OF OTHER FORMS OF NIGGLING THAT HE COULD DO SO WITH THE STAFF.

WE ARRIVED AT ABOUT 9:45 TONIGHT AND LASTED UNTIL JUST ABOUT 1:45 TUESDAY. MORNING, AS IT TURNED OUT THIS MAN NAME [REDACTED] WAS A CONSIDERABLE CUT ABOVE THE BUSH LEAGUERS WE HAD BEEN DEALING WITH. IN THE COURSE OF THE 4 HOUR MEETING IT BECAME EVIDENT THAT THE THREE IRANIAN LEADERS--RAFSANJANI, MUSAVI (PRIME MINISTER) AND KHAMENEI (PRESIDENT) ARE EACH TRAUMATIZED BY THE RECOLLECTION THAT AFTER BAZARGAN MET WITH BREZNEV IN THE SPRING OF 1980, HE WAS DEPOSED SO EVIDENT WAS POPULAR SENTIMENT AGAINST DOING BUSINESS WITH THE GREAT SATAN. TODAY THE FORCE OF EVENTS AND SELF INTEREST HAS BROUGHT THEM TO THE POINT OF REALIZING THAT WE DO HAVE SOME COMMON INTERESTS (VIS A VIS THE RUSSIANS, AFGHANISMS AND PERHAPS EVEN AGAINST IPAD.) BUT THEY STILL CANNOT OVERCOME THEIR HOPE IN IMMEDIATE PROBLEM OF HOW TO TALK TO US AND STAY ALIVE. BUT FROM THE TENOR OF THIS LAST MAN [REDACTED] STATEMENTS, CONVICTION AND KNOWLEDGEABLE EXPRESSION OF WHAT IS POSSIBLE IN THE WAY OF A STABLE COOPERATIVE RELATIONSHIP, I BELIEVE WE HAVE FINALLY REACHED A COMPETENT IRANIAN OFFICIAL--AND THAT'S GOOD.

NEVERTHELESS WE CANNOT, IN MY JUDGMENT BE SMOOTHER BY SERIOUS DIALOGUE WITHOUT ACTS. THUS I DID NOT MEET WITH THIS MAN AS A FIRM SIGNAL THAT ALTHOUGH WE HAVE COME TO SET IN MOTION A SUSTAINED PROCESS, WE MUST FIRST SET ASIDE A NUMBER OF OBSTACLES--NOTABLY BY THE RELEASE OF THE HOSTAGES. THIS WAS FORCEFULLY STRESSED TO [REDACTED] TONIGHT AND WE HAVE RECEIVED THROUGHOUT THE DAY PERIODIC REAFFIRMATIONS THAT STEPS ARE IN MOTION, WE ARE WORKING ON IT, DON'T WORRY, ETC ETC ETC. WITH THAT IN MIND, WHEN HE COMES BACK TOMORROW TO GO DISCUSS THE AGENDA, I INTEND TO HAVE HIM MEET WITH THE STAFF WITH PERHAPS AN INTERVENING SUMMONS FOR HIM

TO COME VISIT WITH ME TO TRY TO SET SOME SPECIFIC MILESTONES FOR MOVING AHEAD. THESE WOULD INCLUDE: 1. AN END TO THE EXTREME RHETORIC ON BOTH SIDES (ALTHOUGH WE WILL CALL IT AT IT IS IF THERE IS A RECURRENCE OF TERRORISM AGAINST US) 2. THE ESTABLISHMENT OF A COMMUNICATIONS CAPABILITY BETWEEN US FULL TIME AS SOON POSSIBLE. 3. THE POSITIONING ON THE GROUND HERE A TECHNICAL EXPERT TO GET US AWAY FROM THESE ENDLESS EXCHANGES OF REQUESTS FOR ITEMS THEY DON'T NEED.

WITH REGARD TO THE HOSTAGES WE HAVE AND WILL CONTINUE TO MAKE CLEAR THAT THEIR RELEASE IS THE SINE QUONON TO ANY FURTHER STEPS BETWEEN US. AND IF THAT HAS NOT HAPPENED BY TOMORROW NIGHT, THEY ARE AWARE THAT WE WILL LEAVE AND THAT THE BALANCE OF THIS SHIPMENT WILL NOT BE DELIVERED NOR WILL AMV. 0000000001 BE CONSIDERED.

AS TO MY JUDGMENT ON WHERE WE STAND, IT SEEMS CLEAR THAT WE ARE DEALING WITH PEOPLE AT THE TOP WHO: 1. UNDERSTAND THAT THEY HAVE AN IMPORTANT INTEREST

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IN ORDER TO ESTABLISH A DIALOGUE THAT LEADS TO A PERIOD OF COOPERATION WITH

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N 1336

1. US. 2. THEY DOING SO REQUIRES THAT THEY DELIVER ON CERTAIN KINDS OF BEHAVIOR
A. E.G. RELEASE OF THE HOSTAGES AND NO FURTHER TERRORIST ACTS AGAINST US. 3. WE
ARE VERY FEARFUL FOR THEIR OWN VULNERABILITY TO FACTIONAL ATTACK IF THEY ARE DIS-
COVERED IN THIS DIALOGUE BEFORE THEY CAN CONDITION THE PEOPLE TO A DIFFERENT
PERCEPTION OF THE U.S. 4. ARE TRYING TO RUN A COUNTRY WITH ALMOST NO COMPET-
ENT OFFICIALS BELOW THE VERY TOP AND NEED HELP.

SO WE ARE ON THE WAY TO SOMETHING THAT CAN BECOME A TRULY STRATEGIC GAIN FOR
US AT THE EXPENSE OF THE SOVIETS. BUT IT IS GOING TO BE PAINFULLY SLOW. AS WE
PROCEED WE CANNOT BE GULLED BY PROMISES OF WHAT WILL HAPPEN TOMORROW--AT 8:11
AM THEY REALLY ARE RUB NEPCHANTS. BUT LITTLE BY LITTLE WE CAN MAKE PROGRESS
BECAUSE IT IS A MATTER OF SELF INTEREST FOR BOTH OF US TO DO SO.

I WILL GIVE YOU A MORE THOUGHTFUL FILL TOMORROW AFTER OUR MEETINGS--IT IS NOW
3:35 A.M. LOCAL. I FEEL THAT WE HAVE ENTERED A SENSIBLE PROCESS AND FINALLY
GOTTEN A COMPETENT INTERLOCUTOR ON THE OTHER SIDE. IF YOU HAVE ANY SPECIAL
INSTRUCTIONS

BEFORE WE MEET TOMORROW PLEASE LET ME KNOW. *HOPE YOU HAD A NICE WEEKEND. YOUR
GUYS ARE DOING A FANTASTIC JOB AS IS CAVE AND THE COMMUNICATOR WHO IS NEW
TO EATH.

THIS ENDED

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WASHINGTON, D.C. 20505SYSTEM IV
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MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

PARTICIPANTS:

U.S.Oliver L. North
George Cave
Howard R. TeicherIsrael

Amiram Nir

IranDATE: May 27, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 10:00 a.m.

North expressed the U.S. team's gratitude that discussion can be continued. He noted that he had recommended that McFarlane meet with [REDACTED] (S)

[REDACTED] said there was some news about the hostages. "We heard early. But I felt you were sleeping. There is a development which requires a decision. Our messenger in Beirut is in touch with those holding the hostages by special means. They made heavy conditions. They asked for Israel to withdraw from the Golan Heights and South Lebanon. Lahad must return to East Beirut, the prisoners in Kuwait must be freed, and all expenses paid for hostage-taking. They do not want money from the U.S. Iran must pay this money. We told them these conditions must be reduced. We can't make this work. We are negotiating. We are ready to pay for humanitarian reasons. We are negotiating other conditions. We are hopeful these negotiations will succeed." (S)

[REDACTED] complained that "only a portion of the 240 spare parts had been delivered. The rest should come. This is an important misunderstanding." (McFarlane called [REDACTED] down to his suite at this point in the discussion.) (S)

Partially Declassified / Released on 6 Jul 1989
under provisions of E.O. 12356
by D. Reger, National Security Council

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Declassify on: OADR

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Dated May 12/89
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North said, "The U.S. would provide the additional items on [redacted] list to the extent we can as soon as possible if they're still made. As soon as possible relates to funding. Even with countries where we have formal military ties, our law requires prior payment." (S)

[redacted] opined that "many things are not written in law. In the same way we can finance your hostages you can find a way to finance our purchases." (S)

Teicher explained how the U.S. Government sells military equipment, especially the interaction between the Congress and the President. "Our current sales to Iran are not following normal procedures and cannot be routinized."

Nir asked whether it might be agreed that "since the U.S. Government cannot deliver without advance payment and Iran cannot pay in advance, we will examine mid-term financial arrangement possibilities, such as Ghorbanifar and oil deals?" (S)

On this note, the discussion broke up into separate lengthy corridor talks. After the Iranians departed, around noon, McFarlane stated that [redacted] understood what steps Iran must take to restore U.S. confidence. But he referred to some sort of documents or letters held by Ghorbanifar. No member of the U.S. team was aware of these letters. McFarlane had emphasized that he must shortly leave, and that an opportunity for improved relations was being wasted. McFarlane said he would draft a MEMCON of his one-on-one discussion. (S)

Lunch was served at 12:30 p.m.

Prepared by:
Howard Teicher

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1000 note 25.39
27 May 1000

PLEASE DELIVER THE FOLLOWING MESSAGE FROM ROBERT MCFARLANE TO ADMIRAL POINDEXTE AS SOON AS POSSIBLE.

I HAVE JUST COMPLETED A THREE HOUR ONE ON ONE MEETING WITH [REDACTED] THE OFFICIAL DESIGNATED BY RAFSANJANI/MUSAVI AND KHAMENEI AS THEIR SPOKESMAN AND WHOM I MENTIONED IN MY FIRST CABLE WHICH YOU RECEIVED THIS MORNING.

1337

IT WAS A USEFUL MEETING ON THE WHOLE. I SAY THAT IN THE SENSE THAT I WAS ABLE TO PRESENT A BRIEF OF OUR PURPOSES AND PRIORITIES INTERNATIONALLY WITH SPECIFIC EXPLANATION OF OUR GOALS AND INTENTIONS IN THE MIDDLE EAST GENERALLY AND WITH SPECIFIC REGARD TO IRAN. THAT REGARDING IRAN WE SOUGHT A RELATIONSHIP BASED UPON MUTUAL RESPECT FOR EACH OTHER'S SOVEREIGNTY, TERRITORIAL INTEGRITY AND INDEPENDENCE; THAT WE BELIEVED IN NON-INTERVENTION IN THE AFFAIRS OF ALL STATES AND EXPECTED THEM TO DO THE SAME THING. I THEN DEVELOPED A BRIEF OF OUR SENSE OF THE SOVIET OBJECTIVES IN THE MIDDLE EAST WHICH ARE TO EXPAND ITS INFLUENCE SO AS TO ULTIMATELY BE IN THE POSITION TO INTERRUPT THE RESOURCE FLOWS OF THE AREA AND EXPLOIT ITS GEOGRAPHY FOR SELF INTEREST. ITS INSTRUMENTS FOR ACHIEVING THESE GOALS ARE THE RADICAL ARAB STATES.

[REDACTED] THE SOVIETS WOULD GO TO CONSIDERABLE LENGTH TO PREVENT IRAN FROM LOSING TO IRAN, FOR IF THEY DID LOSE, SOVIET CREDIBILITY WOULD BE CATASTROPHICALLY DAMAGED IN THE AREA. WE WOULD EXPECT THE SOVIETS TO GIVE IRAN ALL THE SUPPORT THEY NEEDED AND IF THIS WERE NOT ENOUGH, THEN WHEN THEY WOULD PESSURE IRAN DIRECTLY WITH MILITARY FORCE.

I WENT ON TO EXPLAIN THAT OUR POLICY REMAINED TO SEEK AN END TO THE WAR AND NOT TO FAVOR VICTORY BY EITHER SIDE: IN THEIR CASE SINCE WE WERE CONCERNED FOR WHAT THEIR LARGER PURPOSES WERE IN THE MIDDLE EAST. ON THE SURFACE THEY APPEARED TO US TO BE DETERMINED TO EXPAND THEIR INFLUENCE THROUGH THE SPREAD OF ISLAMIC FUNDAMENTALISM, RELAYING ON THE USE OF TERRORISM TO ACHIEVE THEIR PURPOSES. CONSEQUENTLY I STATED THAT THEY SHOULD UNDERSTAND THAT WE WERE NOT APPEARED TO GIVE THEM A LEVEL OF ARMS THAT WOULD ENABLE THEM TO WIN THE WAR.

THAT SAID, HOWEVER, WE WERE PREPARED TO ENTER A DIALOGUE TO DETERMINE WHERE THERE MIGHT BE COMMON INTERESTS AND THAT AFGHANISTAN APPEARED TO BE A LEADING CASE IN POINT. WE WOULD ALSO WANT TO DISCUSS NICARAGUA (AND THEIR SUPPORT FOR THE SANDINISTAS) AS WELL AS LEBANON.

FINALLY I PROPOSED A SPECIFIC WORK PROGRAM TO TRY TO INJECT A LITTLE MOMENTUM INTO THE PROCESS. AS A FIRST ITEM, I PROPOSED THAT BOTH SIDES LOWER THE RHEOTIC TOWARD THE OTHER (ALTHOUGH WE WOULD CONTINUE TO CALL IT AS WE SAW IT IF TERRORIST ACTS WERE COMMITTED BY IRANIS). AS A SECOND MEASURE, I PROPOSED THAT WE COMMIT NOW TO A SUSTAINED POLITICAL DIALOGUE IN AN EFFORT TO BRIDGE DIFFERENCES WHERE POSSIBLE (EVEN THOUGH SOME DISAGREEMENTS WOULD REMAIN ETERNAL). THIS MEETING SHOULD BE SECRET BUT COULD TAKE PLACE WITHIN TWO WEEKS EITHER HERE IN TEHRAN OR IN A THIRD COUNTRY OR IN THE U.S. FINALLY I STATED THAT SINCE THE RUSSIANS WERE NO DOUBT MONITORING THE TELEPHONE CALLS THAT HAD BEEN THE BASIS OF BRINGING US TO THIS POINT, IT WOULD BE WISE TO ESTABLISH A MEANS OF COMMUNICATIONS AND THAT THAT COULD BE DONE VERY EASILY. I ALSO STATED THAT WHILE WE COULD NOT ENVISION PROVIDING A SIGNIFICANT LEVEL OF ARMS, THAT WE MIGHT CONSIDER HAVING A TECHNICIAN VISIT AND REMAIN ON SITE TO HELP THEM GET MORE FROM WHAT THEY HAVE (AS YOU KNOW THEY HAVE TENDED TO WANT TO BUY A NUMBER OF THINGS THAT THEY DO NOT REALLY NEED WHEN THEY COULD BE FIXING ITEMS ON HAND).

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HE LISTENED ATTENTIVELY AND THEN RESPONDED IN LOW KEY FASHION, S'FESSING THAT THERE WERE A NUMBER OF AREAS WHERE WE HAVE FUNDAMENTAL DISAGREEMENTS BUT ALSO A NUMBER OF AREAS WHERE THERE ARE COMMON INTERESTS. HE WENT THROUGH THE AREAS OF DISAGREEMENT BUT IN A RATHER FRODOFA FASHION. HE THEN GOT TO THE CLINCH HERE--THEIR EFFORTS TO FREE THE HOSTAGES IN LEBANON. HE REPORTED THAT HIZBOLLAH HAD MADE SEVERAL PRECONDITIONS TO THE RELEASE: 1. ISRAELI WITHDRAWAL FROM THE GOLAN; 2. ISRAELI WITHDRAWAL FROM SOUTHERN LEBANON; 3. LAHAD MOVEMENT INTO EAST BEIRUT AND 4. SOMEONE (UNDEFINED) TO PAY THE BILLS THE HOSTAGES HAVE ACCUMULATED. NOW THAT FOR CHUTZPAH!!! HE HURRIEDLY ADDED (BEFORE I UNLOADED ON HIM) THAT "THESE DEMANDS ARE NOT ACCEPTABLE AND WE ARE NEGOTIATING WITH THEM AND BELIEVE THAT THE ONLY REAL PROBLEM IS WHEN YOU DELIVER THE ITEMS WE HAVE REQUESTED."

1338

I RESPONDED THAT I WAS GLAD TO HEAR THAT HIS GOVERNMENT WANTED TO SOLVE PROBLEMS AND SET A POLITICAL DIALOGUE IN MOTION BUT THAT I HAD TO SAY THAT THE OTHER MATTERS HE HAD STATED LED ME TO BELIEVE THAT SUCH A DIALOGUE WOULD NEVER GET STARTED AT ALL. I THEN EXPLAINED FOR HIM THE HISTORY OF HOW WE HAVE REACHED THIS POINT (BEARING IN MIND THAT HE HAS BEEN GETTING ONLY THE GORBA/ [REDACTED] VERSIONS).

I THEN CAREFULLY RECOUNTED HOW IN THE COURSE OF THE PAST YEAR, WE HAD NEGOTIATED AGREEMENTS ONLY TO HAVE THEM ALTERED AT THE LAST MOMENT OR DELAYS IMPOSED WHICH HAD LED TO AN EXTREMELY HIGH LEVEL OF FRUSTRATION ON THE PART OF THE PRESIDENT AND THAT HE HAD ONLY RELUCTANTLY AGREED TO THIS MEETING UNDER A VERY CLEAR AND PRECISE UNDERSTANDING OF THE ARRANGEMENTS. I THEN WENT OVER IN DETAIL WHAT THOSE ARRANGEMENTS WERE: 1. THE U.S. WOULD SEND A HIGH LEVEL DELEGATION TO TEHRAN. THEY WOULD BRING WITH THEM A PORTION OF THE ITEMS THEY HAD REQUESTED AND PAID FOR (WHICH WE HAD DONE). 2. UPON OUR ARRIVAL, THEY HAD AGREED TO SECURE THE RELEASE OF THE HOSTAGES PROMPTLY. 3. UPON RELEASE OF THE HOSTAGES TO OUR CUSTODY, WE WOULD CALL FORWARD THE BALANCE OF ITEMS THAT HAD BEEN PAID FOR AND THOSE THAT HAD NOT BEEN PAID FOR WOULD BE DISPATCHED AS SOON AS PAYMENT HAD BEEN RECEIVED.

AT THIS POINT HE BECAME SOMEWHAT AGITATED WANTING TO KNOW JUST WHO HAD AGREED TO THESE TERMS. (I FINGERED GORBA AND [REDACTED]) HE STATED THAT THESE WERE NOT THE TERMS AS HE UNDERSTOOD THEM. THE BASIC DIFFERENCE WAS THAT THEY EXPECTED ALL DELIVERIES TO OCCUR BEFORE ANY RELEASE TOOK PLACE. I STATED FIRMLY THAT WHILE MISUNDERSTANDINGS HAPPEN, I WAS CONFIDENT THAT IT HAD NOT BEEN ON OUR SIDE FOR WE HAD TWO WITNESSES TO THE AGREEMENT. MORE IMPORTANTLY, HOWEVER, REGARDLESS OF MISUNDERSTANDINGS, THERE WAS SIMPLY NO LATITUDE FOR ALTERING THE AGREEMENT AT THIS TIME. DUE TO THE TORTURED HISTORY I HAD RECOUNTED, THE PRESIDENT HAD REACHED HIS LIMIT OF TOLERANCE AND THAT THIS VISIT WAS THE LAST ATTEMPT WE WOULD MAKE. MY INSTRUCTIONS WERE TO RETURN TONIGHT TO WASHINGTON. I S'FESSED THAT WE WERE PREPARED TO CALL THE OTHER AIRCRAFT FORWARD AS SOON AS WE RECEIVED WORD THAT THE HOSTAGES WERE RELEASED AND EVEN TO DO SO WITHIN A COUPLE OF DAYS AFTER WE HAD LEFT IF THEY WERE NOT RELEASED TONIGHT BUT THERE WAS NO POSSIBILITY OF CHANGING THE TERMS.

HE WAS OBVIOUSLY CONCERNED OVER THE VERY REAL POSSIBILITY THAT HIS PEOPLE (GORBA AND [REDACTED]) HAD MISLED HIM AND ASKED FOR A BREAK TO CONFER WITH HIS COLLEAGUES. I AGREED NOTING THAT I HAD TO LEAVE TONIGHT. (ACTUALLY I DON'T HAVE TO LEAVE TONIGHT BUT RECOGNIZING THAT WE HAVE BEEN HERE FOR THREE WORKING DAYS AND THEY HAVE NOT PRODUCED I WANTED TO TRY TO BUILD A LITTLE FIRE UNDER THEM.) RIGHT NOW THEY ARE UNDER THE UNDERSTANDING THAT WE WILL ALL BE LEAVING. HE ASKED WHETHER I COULD LEAVE ANYONE BEHIND AND I SAID NO.

SEPARATELY THE REST OF OUR DELEGATIONS HAD BEEN MEETING TO GO OVER A LETTER THAT THEY HAD DRAFTED WHICH PURPORTED TO SHOW WHAT WE HAD AGREED TO IN TEHRAN. THIS HAD BEEN DISCUSSED LAST NIGHT AS WELL, WITH GORBA BASICALLY CONVINCED

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PLAUSIBLE TO HIM. OLLIE, CAVE AND NIK ARE ALL CONFIDENT OF THEIR GROUND BUT UNDERSTAND THE PROBABILITY THAT GOLF OF ~~CAVE~~ OR BOTH HAVE OVERSOLD THEIR ACCOMPLISHMENT.

AT THIS POINT IT IS HARD TO KNOW WHERE THIS WILL LEAD. WE HAVE HEARD NOTHING FROM BEIRUT--HAVE YOU? I TEND TO THINK WE SHOULD HOLD FIRM ON OUR INTENTION TO LEAVE AND IN FACT DO SO UNLESS WE HAVE WORD OF RELEASE IN THE NEXT SIX OR SEVEN HOURS. I CAN IMAGINE CIRCUMSTANCES IN WHICH IF THEY SAID TONIGHT THAT THEY GUARANTEE THE RELEASE AT A PRECISE HOUR TOMORROW WE WOULD STAND BY, BUT NOT AGREE TO ANY CHANGE IN THE TERMS OR CALL THE AIRCRAFT FORWARD.

PLEASE CONVEY THIS TO THE PRESIDENT AND WE WILL PROCEED AS DIRECTED. MY JUDGMENT IS THAT THEY ARE IN A STATE OF GREAT UPSET, SCHIZOPHRENIC OVER THEIR WISH TO GET MORE FROM THE DEAL BUT SOBERED TO THE FACT THAT THEIR INTERLOCUTORS MAY HAVE MISLED THEM. WE ARE STAYING ENTIRELY AT ARMS LENGTH WHILE THIS PLAYS OUT. WE SHOULD HEAR SOMETHING FROM THEM BEFORE LONG. HOWEVER, WHEN YOU GET WORD ORD IT MAY BE BEST IF YOU CALL ME ON THE FRT 250--BOB EARL CAN ARRANGE IT FOR YOU.

WARM REGARDS TO ALL. :GRC, I+4 . . . INWB01JW^cVPJRA+q((IT.2c\&nCix^t3N\CE
w7u0:G4H0:130
:AMBO:-1a:1H133V0a'F1
AMUM008 - :1337 K1w111 T2x 31(0)2a .xuValViD267(j1vskkx10)
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Chapter 13, Footnotes 40, 41

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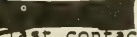
MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue (U)

13-40

PARTICIPANTS:

U.S.
Robert C. McFarlane
Oliver L. North
George Cave
Howard R. TeicherIsrael
Amiram NirIran
DATE: May 27, 1986
PLACE: Tehran, Iran, Independence Hotel
TIME: 5:00 p.m.

 began the discussion with a report from Beirut. "The last contact with our man in Lebanon reported that he was able to eliminate three demands: the withdrawal of Israel from the Golan, South Lebanon and the transfer of Lahad to East Beirut. The people who hold the hostages believe they can solve the world's hunger problem! We will solve the money problem. The only remaining problem is Kuwait. We agreed to try to get a promise from you that they would be released in the future. The only problem is that the men here are not in agreement. These documents are in Ghorbanifar's handwriting. This is what I told you about this morning. If there has been a mistake in our agreement, it is not our fault. Maybe Ghorbanifar made a mistake. The problem is very simple. The only thing to discuss is what comes first and what comes later. The intentions of the two groups, based on what's written here, leads me to believe that agreement should be possible. I think we can come to a final agreement since you are an important person in your country. We, like you, want to solve this problem and get on with it." TSJ

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Partially Declassified / Released on 16 Jul 1987

under provisions of E.O. 12356

by Z. Reger, National Security Council

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McFarlane said it is apparent the Iranians are making a determined effort to bring this problem to a conclusion. "I am grateful. This spirit, if it had been present in our first encounter, would have made clear we could reach some agreement. Unfortunately, we have reached this point after a year and three efforts where we thought we had an agreement. This has affected the President's view of our ability to reach an agreement. He kept trying due to his belief that there were larger problems we should turn to. This affected his faith in our ability to work together. So he was willing to try once more and he believed we had come to an agreement. But his instructions in sending me here were that if this fourth try did not achieve results it was pointless to pursue an ineffective dialogue. I can understand that there may have been misunderstandings and I don't point to any bad faith. But my President's instructions are firm: without results we are to discontinue the talks. These are very firm instructions. All the items that have been paid for are loaded and poised for release the minute the hostages are in our custody. Their prompt delivery within 10 hours is our solemn commitment. With regard to the problem raised by the captors, the Dawa prisoners, it is much on our mind as it has been raised before. Our position is derived from our policy which respects all nations' judicial policies. We cannot ignore their process. I am sad to report all this. I respect what you said. I will report to my President but I cannot be optimistic." (S)

[REDACTED] proposed a slight change, "Since the the plane is loaded why not let it come. You would leave happy. The President would be happy. We have no guilt based on our understanding of the agreement. We are surprised now that it has been changed. Let the agreement be carried out. The hostages will be freed very quickly. Your President's word will be honored. If the plane arrives before tomorrow morning, the hostages will be free by noon. We do not wish to see our agreement fail at this final stage." (S)

McFarlane underscored "how much I appreciated your statement of your country's opposition to hostage-taking. Such behavior is inconsistent with your country. Bearing in mind the possible misunderstanding, can we separate the issue? As a humanitarian gesture? We delivered hundreds of weapons. You can release the hostages, advise us, and we will deliver the weapons." (S)

[REDACTED] said, "OK." "But he (presumably Rafsanjani) would like for the staffs to reach an agreement on what's been previously worked out. He wants your agreement for the staffs to work out an agreement. This will be a difficult task. Might be

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difficult to get it done tonight. Can you extend your stay? Or perhaps just the staff. Perhaps if we can reach agreement on this the staff can stay and complete the work?" (S)

McFarlane expressed appreciation for [REDACTED] willingness to try to work out an agreement. "I will seek the President's decision. I cannot know what he will say. But I should say in his most recent communication he pointed out I have been here three days. It should have been enough. But I will report again." (S)

[REDACTED] suggested trying to solve the problem as fast as possible. "We will try to do it in a manner that will please your President. Problems like this can only be solved at the last minute. With all the problems we have, we want to solve them in a good atmosphere. They call us liberals, but revolutionaries do not accept this. The staffs must reach a mutually acceptable solution, then the problem will be solved. Something is apparent in our letters. I am not blaming the staffs. We want to reach a new understanding." (S)

McFarlane agreed to try, while noting that "staff agreements must be approved by our leaders." (S)

The meeting ended around 6:00 p.m.

Prepared by:
Howard Teicher

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Chapter 13 Footnote 45

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13-45

ON THIS TWENTY SEVENTH DAY OF MAY 1986 AND THE SIXTH DAY OF KHORDAD IN THE YEAR 1365, THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN, IN A SPIRIT OF MUTUAL UNDERSTANDING, AND RECOGNIZING THE IMPORTANCE OF BUILDING RESPECT, TRUST AND CONFIDENCE HEREBY AGREE TO THE FOLLOWING SEQUENCE OF STEPS DESIGNED TO LEAD TO A NEW ERA OF BI-LATERAL RELATIONS:

- (1) THE UNITED STATES GOVERNMENT WILL CAUSE A 707 AIRCRAFT TO LAUNCH FROM A NEUTRAL SITE AT 0100 IN THE MORNING TO ARRIVE IN TEHRAN, IRAN AT 1000 ON THE MORNING OF MAY 28, THE SEVENTH DAY OF KHORDAD. THIS AIRCRAFT WILL CONTAIN THE REMAINDER OF THE HAWK MISSILE PARTS PURCHASED AND PAID FOR BY THE GOVERNMENT OF IRAN, A PORTION OF WHICH WAS DELIVERED ON MAY 24.
- (2) THE IRANIAN GOVERNMENT, HAVING RECOGNIZED THE PLIGHT OF THE HOSTAGES IN THE LEBANON, AND IN THE SPIRIT OF HUMANITARIAN ASSISTANCE, AGREES TO CAUSE THE RELEASE AND SAFE RETURN OF THE LIVING AMERICAN HOSTAGES AND THE RETURN OF THE BODY OF THE DECEASED AMERICAN AND THAT THIS RELEASE WILL BE COMPLETED NOT LATER THAN 0400 TEHRAN TIME.
- (3) IT IS FURTHER AGREED BY BOTH SIDES THAT IF BY 0400 TEHRAN TIME, THE HOSTAGES ARE NOT SAFELY IN THE HANDS OF U.S. AUTHORITIES, THE AIRCRAFT WITH THE HAWK MISSILE PARTS WILL BE TURNED AROUND AND WILL NOT LAND IN IRAN AND THE U.S. DELEGATION WILL DEPART TEHRAN IMMEDIATELY. IF,

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Per ~~Declassified~~ / Released on 1/25/18
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J. B. Reger, National Security Council

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HOWEVER, THE HOSTAGES ARE RELEASED AT 0400, AS INDICATED ABOVE,
THE U.S. DELEGATION WILL REMAIN IN TEHRAN UNTIL 1200 NOON ON
MAY 28, 1986.

- (4) THE GOVERNMENT OF THE UNITED STATES COMMITS TO DELIVER TO BANDAR ABBAS, IRAN, TWO PHASE ONE IMPIR RADAR SETS, FULLY COMPATIBLE WITH THE HAWK MISSILE SYSTEM NOW IN THE POSSESSION OF THE IRANIAN GOVERNMENT. THIS DELIVERY TO TAKE PLACE AFTER THE ARRIVAL OF THE HOSTAGES IN U.S. CUSTODY AND WITHIN TEN DAYS AFTER THE RECEIPT OF PAYMENT THROUGH EXISTING FINANCIAL CHANNELS FOR THESE RADAR SYSTEMS. IT IS FURTHER AGREED THAT THE GOVERNMENT OF THE UNITED STATES WILL MAKE EVERY EFFORT TO LOCATE AND IDENTIFY THOSE ITEMS FROM THE ORIGINAL LIST OF 240 PARTS WHICH WERE NOT IMMEDIATELY AVAILABLE, AND TO PROVIDE THOSE AVAILABLE AS SOON AS POSSIBLE AFTER PAYMENT IS RECEIVED AND THE HOSTAGES ARE IN U.S. CUSTODY.
- (5) BOTH GOVERNMENTS AGREE TO A CONTINUATION OF A POLITICAL DIALOGUE TO BE CONDUCTED IN SECRECY UNTIL SUCH TIME AS BOTH SIDES AGREE TO MAKE SUCH A DIALOGUE PUBLIC. IT IS AGREED BY BOTH SIDES THAT THIS DIALOGUE SHALL INCLUDE DISCUSSIONS ON THE SOVIET THREAT TO IRAN, THE SITUATION IN AFGHANISTAN, NICARAGUA, AND OTHER POLITICAL TOPICS AS MAY BE MUTUALLY AGREED. BOTH SIDES AGREE IN ADVANCE THAT THESE DISCUSSIONS WILL INCLUDE CONSIDERATION OF FURTHER DEFENSE NEEDS OF IRAN.

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(6) BOTH GOVERNMENTS RECOGNIZE THAT THE LACK OF A CLEAR CHANNEL OF COMMUNICATIONS HAS CONTRIBUTED TO MISUNDERSTANDING AND CONFUSION IN THE PAST AND AGREE THAT THIS PROBLEM IS BEST RESOLVED BY HAVING THE UNITED STATES PROVIDE A SECURE CHANNEL OF COMMUNICATIONS BETWEEN OUR TWO GOVERNMENTS BY PLACING A SECURE SATELLITE COMMUNICATIONS TEAM, AND APPROPRIATE EQUIPMENT SECRETELY IN TEHRAN. THE GOVERNMENT OF IRAN AGREES THAT THE U.S. COMMUNICATORS WILL BE ACCORDED NORMAL DIPLOMATIC PRIVILEGES AND IMMUNITY ON AN INFORMAL BASIS AND WITHOUT ATTRIBUTION.

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Chapter 13, Footnote 46

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 NATIONAL SECURITY COUNCIL
 WASHINGTON, D.C. 20505

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MEMORANDUM OF CONVERSATION

SUBJECT: U.S.-Iran Dialogue

PARTICIPANTS:

13-46

U.S.
 Oliver L. North
 George Cave
 Howard R. Teicher

Israel
 Amiram Nir

Iran

DATE: May 27
 PLACE: Tehran, Iran, Independence Hotel
 Time: 9:30 p.m.

North thanked [REDACTED] for returning the passports. He also stated that the plane needs gas. (S)

[REDACTED] directed [REDACTED] to take care of it. (S)

North then presented the draft proposal for the evolution of relations, noting that "McFarlane is not pleased, but he gives Iran until 0400 to consider this proposal." [REDACTED] and his aids studied it. Their faces displayed anxiety. They each ask about the timing of deliveries. They repeatedly ask each other about the spare parts.) (S)

[REDACTED] asks "How are we supposed to free the hostages by 0400?" (S)

[REDACTED] acknowledged that they are in contact with those who hold the hostages. "We are negotiating. There is still a lot of work to do. We cannot make a final decision on when they will be released!" (S)

North said he did not understand the timing problem. "With McFarlane earlier today you told us they would be free by noon." (S)

Partially Declassified and Released on 12 Jul 1987
 under provisions of E.O. 12356
 by D. Rieger, National Security Council

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[REDACTED] agreed he had said that earlier today. But it is now late. Our dispute is over the lack of complete agreement. What can you say about the held in Kuwait?" (S)

North proposed a statement like: "The U.S. will make every effort through and with international organizations, private individuals, religious organizations, and other third parties in an humanitarian effort to achieve the release and just and fair treatment for Shiites held in confinement, as soon as possible." The Iranians ask to think about the proposal. McFarlane and [REDACTED] meet privately. (S)

About 11:30 p.m., after more wrangling between McFarlane and [REDACTED] McFarlane concludes that they're just stringing us along. He gives the order to pack and depart. We discovered 15 minutes earlier that all day the plane was not refueled, leaving us semi-stranded. The pilot is now en route to refuel. (S)

The meeting ends at 11:40 p.m.

Prepared by:
Howard Teicher

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N 1483

This is an account of the U.S. mission to Tehran from May 25 through May 28, together with some comments and observations. The U.S. team was headed by McFarland with Goode, McGrath, Miller and O'Neil making up the rest of the team. A communicator also accompanied the team on the trip into Tehran.

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The above account is O'neil's outline recollection of what transpired and may differ somewhat from what others recall, but it is needed for O'neil's comments and recommendation to make sense.

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RECOMMENDATION

Through hindsight it would have been better for Goode and O'Neil to have gone in first to handle the initial negotiations. We should not have subjected a senior U.S. official to the indignities he was forced to endure. We have made the point to the Iranians that the draft agreement must be finally negotiated by senior responsible officials from both sides. If we have a subsequent response from the Iranian side it is strongly recommended that Goode and O'Neil meet with the Iranian side somewhere in Europe to continue the negotiations.

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~~SECRET/SENSITIVE~~NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508SYSTEM IV
NSC/ICS 40425

MEMORANDUM OF CONVERSATION . . .

6351

SUBJECT: U.S.-Iran Dialogue

PARTICIPANTS:

U.S.Robert C. McFarlane
Oliver L. North
George Cave
Howard R. TeicherIsrael

Amiram Nir

Iran

DATE: May 28, 1986

PLACE: Tehran, Iran, Independence Hotel/Mehrabad Airport

TIME: 7:50 a.m.

[REDACTED] appears at 7:50 a.m. Regarding the hostages, he says, "they think two can get out now but it will require 'joint action' on the other two." McFarlane says, "It is too late. We are leaving." (TS)

[REDACTED] arrives at 8:00 a.m. He repeats the proposal made by McFarlane tells him it won't work. "You are not keeping the agreement. We are leaving." (TS)

They try to slow us down but McFarlane has made up his mind. By 8:00 a.m. we are on our way to the airport. (TS)

As we board the aircraft [REDACTED] pleads, "Why are you leaving?" McFarlane told him to tell his "superiors that this was the fourth time they had failed to honor an agreement. The lack of trust will endure for a long time. An important opportunity was lost." We left Tehran at 8:55 a.m. (TS)

Partially Declassified / Released on 16 Jul 1987
under provisions of E.O. 12356
by S. Reger, National Security Council

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Prepared by:
Howard Teicher~~SECRET/SENSITIVE~~

Declassify on: OADR

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~~SECRET~~

Declassified 12/2/85
AS 4-15-86

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3, Footnote C, 24
7, 48, 67
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CHAPTER 14. "TAKEN TO THE CLEANERS":

THE IRAN INITIATIVE CONTINUES

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Chapter 14, Footnote 3

N 2402

O'neil called [redacted] on 13 June at 1630 in the afternoon. O'neil opened the conversation by saying that we had heard from our friend [redacted] but "our friend" had been pressing him to go through with the deal.

O'neil then asked what we should do about the situation. [redacted] replied that he did not know why we didn't complete the deal when in [redacted]. O'neil interrupted to state that he had a suggestion. We should first meet in Europe to make sure there were no misunderstandings as happened before. - Then our group would go to Dubai at an agreed upon date. Upon arrival in Dubai the four boxes would be turned over, then the rest of the spares would arrive and later depending on timing the two xx Outies would arrive. We would stay until everything was delivered. [redacted] said that the meeting xxx in Germany was not new and that deal was unacceptable to them. He proposed that we arrive with the remaining 240 spares, then two -hostages would be turned over when the two radars arrive, the two other hostages would be turned over.

We haggled about O'neil insisting on our deal and he insisting on his. O'neil suggested that meeting in Germany was necessary and [redacted] finally agreed that if really necessary he would come. He parried the request that the bald headed doctor also attend. He added that it would be very difficult to get away at this time.

When discussing the possible trip to Dubai, [redacted] suggested that it was not necessary for the chief to accompany group that comes.

Since discussion was getting nowhere, O'neil suggested that he was in position to decide on [redacted]'s insistence, and there for it best that O'neil confer with his superiors and [redacted] with his and O'neil will get back to him in one or two days. At the end [redacted] stated that it should not be that we give such importance to who does what first, once this deal is completed there are many important issues that we must discuss. He again insisted on the need of the US to demonstrate good faith.

O'neil asked if the hostages were now under their control because one point [redacted] said that he did not know if their delegation was still in Lebanon. [redacted] hesitated to answer this one but said that they could get them. O'neil said xxx "then they are in your hands." and [redacted] said they were (note O'neil doubts this is true).

14-3

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4414

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1 page
N 2402

DENIED IN
TOTAL

14-5

Chapter 12, Foot...

23 Jan 86 2229

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Chadwick Wylie: (R. out)
 Used against be

1320 - Discrepancy of Present
 Policy does not compare
 w/ Present charges.

> [REDACTED] Telegram

> ~~Sam~~ Nicky not asked
 his to call you

> Sam says --

What was charged =

Some actual costs

of items plus packing,
 handling, trans.

- Microfilm Dec 1985.

- Repressed fact that there is
 no one w/ info -- 56 different
 info.

- Charles can inform

- Partially Declassified - leased on 1/24/87
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4415

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C 200

14-6

2307JUN86. S=SAH [REDACTED]

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Order processed on 1/26/88
By B. Rogers, National Security Council

AFTER GREETINGS:

S-WE SENT OUR FRIEND A PRICE LIST FOR THESE 240.

[REDACTED] WHEN?

S-LAST THURSDAY.

[REDACTED] THURSDAY?

S-RIGHT. IT MUST HAVE ARRIVED.

[REDACTED] IS THAT THE SAME PRICE LIST THAT HE GAVE US IN WHICH THE PRICES WERE SIX TIMES HIGHER?

S-NO. THIS IS THE BASIC PRICE FOR THE 240 ITEMS. IT DOES NOT INCLUDE TRANSPORTATION COSTS. INSURANCE, AND A FEW OTHER THINGS. JUST THE SALE PRICE.

[REDACTED] HE DIDN'T GIVE US THIS.

S-PERHAPS IT HASN'T REACHED HIM, BUT WE SENT IT LAST THURSDAY.

[REDACTED] ?YOU GAVE HIM PRICES? ((INAUDIBLE))

S-YES.

[REDACTED] HE GAVE US A PRICE LIST, BUT IT WAS NOT LAST THURSDAY. IT WAS BEFORE THAT AND WHEN WE FIGURED OUT THE PRICES, THEY WERE ABOUT SEVEN TIMES HIGHER. NOW, I DON'T KNOW WHETHER YOU'RE TALKING ABOUT THAT LIST OR SOMETHING ELSE.

S-SOMETHING ELSE. THESE PRICES THAT HE GAVE YOU INCLUDED EVERYTHING--TRANSPORTATION ETC. WHAT I'M TALKING ABOUT IS THE PRICE FOR WHICH THE 240 WERE SOLD.

[REDACTED] SO IF YOU SENT IT THURSDAY, SHOULDN'T IT HAVE ARRIVED BY NOW?

S-IT SHOULD HAVE.

[REDACTED] I'LL GET IN TOUCH WITH HIM TONIGHT, ??IF I CAN LOCATE HIM??

S-LOOK. MR. GOODE AND I ARE IN A BAD SITUATION HERE.

[REDACTED] WHY?

S-BECAUSE THE HEAD OF OUR COMPANY IS VERY TIRED OF THIS DEAL; HE WANTS TO BREAK IT OFF.

[REDACTED] IT'S THE SAME FOR ME HERE.

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4416

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S-FINE. THEN BOTH OF US ARE IN THE SAME BOAT.

C 201

WHAT?

S-WE ARE BOTH IN THE SAME TRENCH. WE'VE GOT TO BRING THIS THING TO A CONCLUSION AS SOON AS POSSIBLE.

((FEW WORDS MISSED.)) MY SITUATION IS EVEN WORSE HERE. ((FEW WORDS)) NOW, IF THESE PRICES ARE LOWER, WE CAN PRESENT THIS PROPOSAL OF YOURS.

S-LOOK. THIS IS UP TO OUR FRIEND IN EUROPE.

CAN YOU GIVE ME THE PRICES YOURSELF?

S-I DON'T HAVE THEM.

WHO HAS THEM?

S-UH, ONE OF THE EMPLOYEES OF MR. GOODE SENT THEM. I HAVE NOT SEEN THEM AT ALL.

WHEN WILL THEY GET TO US((INAUDIBLE))

S-UH, THEY MUST BE IN OUR FRIEND'S HANDS NOW. YOU WILL HAVE TO ASK HIM.

((INAUDIBLE))

S-HE HAS THEM. YOU WILL HAVE TO CONSULT WITH HIM.

((FEW WORDS)) WE TALK WITH YOU?

S-FINE. THAT MIGHT BE POSSIBLE IN THE FUTURE. THAT'S WHAT WE SAID WHEN WE WERE TALKING WITH YOU IN DUBAI. ((TEHRAN)). WE SAID THAT IT WOULD BE BETTER IF WE APPOINTED TWO PERSONS TO BE WITH YOU ALL THE TIME FOR DIRECT COMMUNICATIONS. THEN THESE MISUNDERSTANDINGS WOULD NOT OCCUR. DO YOU REMEMBER WHEN WE SENT YOU THAT VOLKSWAGEN, THIS WAS GOOD. THE PRICE WAS VERY GOOD. THE BEST POSSIBLE PRICE.

LOOK. ALL I KNOW IS THAT HE SENT US A PRICE. AND WHEN WE FIGURED IT OUT IT WAS SIX TIMES HIGHER. ((FEW WORDS MISSED))

S-THE PRICES WHICH WE SENT WERE THE BASIC PRICES FOR ALL THE 240, WITHOUT TRANSPORTATION, INSURANCE, AND THINGS LIKE THAT

?WITHOUT? TRANSPORTATION AND INSURANCE?

S-AND ADMINISTRATIVE COSTS, AND FOR CLEANING OFF ALL THE CRATES.

I COULDN'T HEAR YOU. SPEAK UP.

S-THE PRICE THAT WE SENT DID NOT INCLUDE TRANSPORTATION, INSURANCE, AND OUR FRIEND'S PROFIT.

FINE. YOU TELL HIM TO GIVE US THOSE PRICES SO WE CAN SEE HOW MUCH LOWER THEY ARE. IF THE PRICES ARE ACCEPTABLE, I CAN PRESENT YOUR PROPOSAL.

S-VERY GOOD. BUT I'VE GOT NOTHING TO DO WITH THIS. THIS IS BETWEEN YOU AND THAT FRIEND OF OURS.

((FEW WORDS)) HE SWORE THAT HE DIDN'T TACK ON ANYTHING AND THAT THESE

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WERE THE PRICES YOU GAVE HIM.

S-FINE. YOU WILL HAVE TO SETTLE THIS WITH OUR FRIEND AS SOON AS POSSIBLE. TALK WITH HIM. HE'S GOT NOTHING TO DO WITH US. I JUST WANT TO TELL YOU THAT THE HEAD OF OUR COMPANY HERE IS MOST UNHAPPY, AND WANTS TO CUT IT OFF.

WHO WANTS TO CUT IT OFF?

S-THE HEAD OF OUR COMPANY. HE SAYS, "IF THEY WANT THEM, THEY SHOULD BUY THEM. IF THEY DON'T WANT THEM, THEY SHOULD GET THEM SOMEPLACE ELSE."

FOR THE SAME PRICE?

S-THAT'S BETWEEN YOU AND OUR FRIEND. HE'S THE MIDDLEMAN.

((INAUDIBLE))

S-THIS LIST WHICH WE SENT CONTAINS THE PRICE FOR WHICH ~~IT WAS SOLD~~ TO THE MIDDLEMAN. THIS FRIEND OF OURS BOUGHT IT FROM THE MIDDLEMAN.

((INAUDIBLE))

S-WELL, UNFORTUNATELY, IN THIS INSTANCE, THERE IS NO OTHER SOLUTION. WE MUST THINK ABOUT THE FUTURE.

((FEW WORDS MISSED)) YOU WERE SUPPOSED TO GIVE US THE FACTORY PRICES. IF YOU GIVE US THIS PRICE, DON'T YOU KNOW THAT... THIS FELLOW SAYS THAT HE IS NOT TACKING ON ANYTHING. HE IS NOT USING ANY ((WORD MISSED)). HOW MUCH IS THE TOTAL PRICE?

S- THEY SAID THAT IT WAS ABOUT 45. IS THAT RIGHT?

45?

S-RIGHT. ((ONE WORD)) THE 240 AND THE TWO GHUTIS.

WITHOUT THE LOADING AND INSURANCE.

S-I DON'T KNOW. I'M JUST, I MEAN, I MEAN THE TOTAL PRICE, I MEAN THE TRANSPORTATION, AND THE TWO GHUTIS AND THE 240, AND THE INSURANCE, AND, ABOUT 45. I'M REALLY NOT INVOLVED IN THIS. IT'S ABOUT 45. RIGHT?

WAS 45 THE PRICE YOU GAVE TO HIM?

S-NO, NO. WE DID NOT GIVE THE PRICE. WE JUST AUTHORIZED THE COMPANIES TO SELL THEM TO SEVERAL MIDDLEMEN. OUR FRIEND BOUGHT THEM FROM MIDDLEMEN.

((FEW WORDS)) THE PRICE AS IT NOW IS, DID OUR FRIEND ADD TO IT OR DID YOU ((FEW WORDS))?

S- NO. WE WERE NOT OURSELVES INVOLVED IN THIS DEAL. THIS IS HOW THE TRANSACTION WAS. WE AUTHORIZED THE COMPANIES TO SELL TO SEVERAL MIDDLEMEN. THESE MIDDLEMEN SOLD TO OUR FRIEND. THIS PRICE THAT WE SENT TO OUR FRIEND IS THE PRICE THAT THE COMPANIES SOLD TO THE MIDDLEMEN.

((FEW WORDS)) DID THEY SELL IT TO OUR FRIEND?

S-NO, NO. OUR FRIEND BOUGHT IT FROM THE MIDDLEMEN.

OUR FRIEND BOUGHT IT FROM THE MIDDLEMEN.

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C 203

S-YES. AND THE MIDDLEMEN BOUGHT IT FROM THE COMPANIES. WE MERELY AUTHORIZED THE SALE OF THESE 240. AND THE PRICE LIST WHICH WE SENT, IS THE PRICE FOR WHICH IT WAS SOLD TO THE MIDDLEMEN.

THE PROBLEM IS ((FEW WORDS)). I DON'T THINK THAT...

S-THAT'S WHY WE HAVE ALWAYS SAID THAT IN THE FUTURE WE MUST BE IN DIRECT CONTACT FOR THINGS LIKE THIS. IT'S EASIER AND CHEAPER.

((INAUDIBLE))

S-THIS TIME, IT HAS TO BE THIS WAY. THE HEAD OF OUR COMPANY IS VERY TIRED OF THIS. HE'S ANGRY. HE SAID. "IF THEY DON'T WANT TO DEAL, BREAK IT OFF."

LOOK. THE PROBLEM IS THE PRICE. I HAVE NOT YET BROUGHT UP THE MATTER OF YOUR PROPOSAL. THE PRICE IS AN IMPORTANT MATTER FOR US. ABOUT THE PRICE, YOU SAY THAT YOU GAVE PERMISSION TO THE MIDDLEMEN TO GO THERE AND MAKE THE PURCHASE.

S-RIGHT.

WE DIDN'T MAKE THE REQUEST OF ((FEW WORDS)); WE MADE THE REQUEST OF YOU.

S-WELL, WE HAD NO OTHER RECOURSE; IT HAD TO BE THAT WAY--FOR THE PRESENT. IN THE FUTURE WE MIGHT BE ABLE TO ARRANGE SOMETHING. BUT NOW, THE IMPORTANT THING IS, IS THERE GOING TO BE A DEAL OR NOT.

THE IMPORTANT THING FOR US NOW IS THAT THESE PRICES YOU GAVE ARE SIX TIMES THE ORIGINAL PRICES. ~~AS AN~~ ~~AS~~ ~~IT HAS~~ ~~AN~~ ~~EFFECT~~ ~~ON~~ ~~THE~~ ~~OUTCOME.~~ ~~THEY~~ ~~SAY,~~ "THIS IS NOT GOOD RELATIONS TO SELL SOMETHING FOR SIX TIMES THE PRICE.

S-I CAN'T DO ANYTHING ABOUT THAT. WHAT CAN I DO ABOUT IT?

WELL, LOOK. YOU ARE THE ONE WE ARE NEGOTIATING WITH. YOU KNOW PERSIAN, AND IT IS YOU WE ARE TALKING TO.

S-BUT MY HANDS ARE TIED. THESE 240 HAVE BEEN SOLD TO SOMEONE; HE BOUGHT IT AND RESOLD IT TO OUR FRIEND. WHAT CAN I DO? IT'S BEST THAT YOU BUY THESE GOODS SOMEWHERE ELSE. THESE WERE VERY DIFFICULT...

IF WE BUY THESE...

S-CAN YOU GET ANY THEM SOMEWHERE ELSE?

((INAUDIBLE))

S-NO, NO. IT WAS A VERY DIFFICULT THING TO BUY ALL OF THESE 240, BECAUSE THEY ARE VERY SCARCE. AS YOU KNOW, SOME OF THEM WERE OUT OF STOCK.

FINE. I ACCEPT THE FACT THAT IT WAS DIFFICULT, BUT SIX OR SEVEN TIMES THE COST? THIS IS NOT RIGHT. THIS IS HAVING AN EFFECT ON THE DEAL--ON YOUR GOOD WILL THAT YOU WISH TO ESTABLISH. AN ADVERSE EFFECT. THEY ARE SAYING, "IF THEY WANT US TO DO THIS SERVICE, WHY ARE THEY CHARGING SIX TIMES THE PRICE? WE HAVE NO PROBLEM WITH OUR FRIEND THAT HE IS ASKING THIS. WE HAVE NO PROBLEM WITH HIM. WE SEE THIS AS YOUR FAULT. ((FEW WORDS.)) TELL US WHAT THE PRICE IS, WHATEVER IT IS. WE HAVE NO QUARREL WITH A 5 OR 10 PERCENT MARKUP, BUT 600 PERCENT--NO.

S-BUT IT ISN'T 600 PERCENT.

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204

YES IT IS. IT'S MORE THAN THAT. IT AVERAGES OUT TO 6.13 TIMES HIGHER.

S- YOU SAID THAT YOU HAVE A MICROFICHE. HAVE YOU SENT IT TO ME.

YOU CAN GET ONE OF THOSE YOURSELF. I'LL SEND IT TO YOU. I'LL SEND IT ON A FLIGHT TOMORROW. ((PORTION MISSED.)) WE AREN'T GETTING THESE GOODS FROM HIM. WE'RE GETTING THEM FROM YOU.

S-NO. IN THIS INSTANCE, YOU ARE BUYING FROM OUR FRIEND, NOT FROM US. IT MIGHT BE THIS WAY IN THE FUTURE, BUT NOT NOW. IF THIS DEAL IS TO COME ON IT WILL HAVE TO BE THROUGH OUR FRIEND. AND IF THIS DEAL IS TO BE SUCCESSFUL IT HAS TO BE THROUGH OUR FRIEND. THERE IS NO OTHER WAY.

I DON'T THINK THEY WILL AGREE IF THE PRICES ARE SIX TIMES HIGHER.

S- YOU AND I ARE IN THE SAME TRENCH; YOU HAVE A PROBLEM, I HAVE A PROBLEM. THE HEAD OF OUR COMPANY IS VERY DISPLEASED WITH MR. GOODE AND ME. PARTICULAR WITH THE DELEGATION THAT WENT TO DUBAI. THE HEAD OF OUR COMPANY IS VERY DISPLEASED WITH THE TREATMENT THERE, AND HE IS READY TO TERMINATE THE WHOLE DEAL. I HAVE MY OWN OPINION ON THE MATTER; I WOULD LIKE TO SEE GOOD RELATIONS BETWEEN OUR COMPANIES IN THE FUTURE.

SPEAK UP, SO I CAN HEAR YOU.

S- I WANT TO SEE GOOD RELATIONS BETWEEN OUR TWO COUNTRIES, BUT THIS HEAD OF OUR COMPANY IS EXTREMELY UPSET.

FINE, IF YOU WANT ((FEW WORDS)) HOW CAN WE DO ANYTHING FOR YOU WITH THESE PRICES? WE SENSE THAT THIS IS ((ONE WORD)).

S-IT IS NOT SIX TIMES HIGHER. IT IS MUCH LESS THAN THAT.

NO. BELIEVE ME THAT'S WHAT IT IS. I'M WILLING TO BET WITH YOU ON THAT.

S-FINE. BET WITH ME, BUT YOU HAVE TO SEND THIS MICROFICHE FOR US SO THAT ((FEW WORDS)) IT.

I'LL SEND IT, BUT ((FEW WORDS)).

S-WHO PREPARED THIS MICROFICHE?

THIS MICROFICHE THAT WE HAVE NOW, IN THE MARKET... ((STARTS OVER)) THESE PRICES THAT YOU GAVE US ARE BLACK MARKET PRICES. ON THE BLACK MARKET THEY PAY PRICES THAT ARE SEVERAL TIMES HIGHER. AND IF WE BOUGHT THESE THINGS ON THE BLACK MARKET, WE WOULDN'T HAVE TO PERFORM ANY SERVICES. SO WE WILL BUY FROM THE BLACK MARKET JUST AS WE HAVE UP TO NOW.

S-((FEW WORDS)) BUY FOR LESS ON THE BLACK MARKET?

NO. THESE PRICES THAT YOU HAVE GIVEN ARE BLACK MARKET PRICES, NOT FAIR PRICES. I WANT TO PROVE HERE THAT IF WE DO THIS SERVICE, ((FEW WORDS)) YOU WILL GIVE A POSITIVE ANSWER TO OUR ((FEW WORDS)). MY REPUTATION IS BEING RUINED BY THIS THING. I WON'T HAVE ANY POWER TO DO ANYTHING FOR YOU ANY MORE.

S-SOME OF THIS IS NOT IN MY HANDS. WE MUST UNDERSTAND THAT...

WE ARE WILLING TO BUY THIS, BUT FOR A REALISTIC PRICE, NOT FOR SEVERAL TIMES HIGHER. WE EXPECT YOU TO SELL AT THE CORRECT PRICE.

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205

S-FINE. THE PRICE... THAT'S RIGHT. BUT IN THIS DEAL, MONEY IS NOT AN IMPORTANT THING FOR US. THE IMPORTANT THING IS THE RELATIONS BETWEEN THE TWO COMPANIES.

■ ((FEW WORDS)) YOU INCREASE IT?

S-YOU HAVE TALKED WITH OUR FRIEND ABOUT THIS. WHAT DID HE SAY?

■ HE SAID, "THIS IS THE PRICE THEY GAVE ME." ((SENTENCE MISSED)). IS HE TELLING THE TRUTH, OR NOT?

S-THAT'S RIGHT. I MEAN, WE SENT HIM THE PRICE OF THE 240. NOT INCLUDING THE TRANSPORTATION, INSURANCE, ETC. AND HE'LL HAVE TO TALK WITH YOU ABOUT IT MUST HAVE REACHED HIM.

■ WHEN DID YOU SEND IT FOR HIM? THURSDAY?

S- RIGHT.

■ DID YOU SEND IT BY MAIL.

S- WE SENT IT BY ONE OF THESE COURIER SERVICES WHICH DELIVERS IN ONE OR TWO DAYS.

■ SO FRIDAY, SATURDAY... I'LL CALL HIM TONIGHT AND SEE WHAT THE PRICE IS YOU HAVE GIVEN HIM.

S- FINE. I DON'T HAVE THE LIST NOW.

■ -CALL ME TOMORROW NIGHT, AND I'LL GIVE YOU AN ANSWER. I'LL FIND OUR FRIEND TONIGHT. LOOK, TRY TO KEEP THINGS GOING THERE. WE'VE BROUGHT THIS THING TO THE FINAL STAGES AND ARE ON THE VERGE OF A SOLUTION. DON'T LET THE ISSUE OF PRICE DESTROY WHAT WE'VE DONE. WE DON'T HAVE ANY PROBLEM WITH ANYONE; NOT WITH OUR FRIEND OR ANYONE ELSE.

S- AND I AM IN THE SAME BIND HERE, BECAUSE I'VE WORKED A LOT ON THIS, AND NOW IT HAS GOTTEN NOWHERE. WE HAVEN'T ATTAINED OUR GOAL.

■ WE MUST TRY TO PURSUE THE RIGHT COURSE? HERE. NOW THIS PRICE THAT YOU WANT TO GIVE, WE EXPECT YOU NOT TO INCREASE IT ANY.

S- WE HAVE NOT INCREASED IT. IF THERE HAS BEEN AN INCREASE, IT HAS BEEN SOMEWHERE ELSE.

■ IF YOU HAVE NOT INCREASED THE PRICE, SEND US THE REAL PRICE.

S- WE'VE SENT IT TO THE FRIEND.

■ VERY GOOD. I'LL CONTACT HIM TONIGHT.

S-FINE. WE MUST NOT LOSE THIS OPPORTUNITY, BECAUSE THE TIME IS VERY SHORT.

■ FINE. I'LL GET THIS PRICE TONIGHT, THEN I WILL BRING UP YOUR PROPOSAL.

S-VERY GOOD.

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(110)0594

Chapter 14

2243

Footnote 11

1215 - Call from Elbar

- One Released tomorrow (10/10/19)

☐ Land's former location

Presidential Secret

TC-201

TEAM

☐ Family Notification/Request

TABLE OF AUCIT FOR AREA.

17 Aug. 1964

1

Alger

五

١٦

۷۵

Young Doves

Comp. B. 22000

□ Message to Indians
(Hobbes)?

□ NEXT STEPS

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by B. Regan National Security Council

4417

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14-13

CLASSIFIED AT TIME OF PUBLICATION.

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Chapter 14, Footnote 14, 85

14-14

8 Sept 0 2395

1350 - Call from Sam

- American called desperate
- Ref'd for party on date
- Going to see Cory now

1430 - Call from Rob Smith
Re Roger & Honey

- Answered complaint
- 2 Paragraphs Re

1450 - Call from Charlie

- Cory to call JWP
- Gates supportive
- ✓ caller to Geo

- 4 times Sat.

- 2 times today

Partial Declass. info. -
 under pro. sec. - E.O. 12958
 by B. Roger, National Security Council

4418

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1530 - RIG (W)

o her (launched her and her room is to
be spent

o Restora:

- to know we will pay off her debt if
we cooperate
- \$365K claimed
- Cory, Espinoza, the Flecker & Polina could
be a viable collaborationist & cult.
- Put Restora as "Ray as you go" line for
Central Intelligence

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NATIONAL SECURITY COUNCIL
 WASHINGTON, D.C. 20505

Non-Log

August 5, 1986

N 3903

Cly - 2014

Tooth

14-26

~~TOP SECRET~~

MEMORANDUM FOR THE RECORD

SUBJECT: Operations Sub-Group (OSG) Terrorist Incident
 Working Group (TIWG) Meeting

The OSG met on Tuesday, August 5, from 1:30-2:45 p.m. with LTCOL Ollie North, Ambassador Bob Oakley, Richard Armitage, LTGEN John Moellering, Charlie Allen, Dewey Clarridge, Buck Revell, and Craig Coy attending. The following topics were discussed:

Hostages: There was a lively discussion on the next steps to take on the remaining hostages. The discussion touched on the possibility of Kuwaiti releasing the Da'wa seventeen and the conditions that would lead to that action.

Revell raised the concern that we may be acting inconsistently with the President's policy of no negotiation and that it would not be in our best interest.

Armitage questioned what our policy should be and whether we should bargain for the hostages.

Moellering asked whether the President felt pressure to get the hostages. North responded that he has a personal sense of obligation and that the President had instructed North to get them out.

~~TOP SECRET~~

Declassify: OADR

~~TOP SECRET~~

8-17-87

3448

FAPER-UP

201-1006

NICK
11/13/86

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Under supervision of E.O. 12958

By A. Fisher, National Security Council

Page W3904 denied in its entirety.

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14-35

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Chapter 14,
footnotes 36-41

14-36641

3 pages

N2560-N2562

DENIED IN

TOTAL

Illegible: not reviewable

4419

Chapter 14 Test notes 42, 43

14-42+43

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Q 2314

13600- Call from Mr.

- 2 hand full
- Australian ticks that bleed out
- Sam said we never heard of Tows
- Sam must emphasize

① We understood the term of deal w/ merchant including deal w/ hand full

② No problem w/ tires, but we can't give them free.

③ We are willing to sell them just as we did before.

④ We understand that you have paid w/ price and have been waiting

⑤ Delivery was ready Tues. But [redacted] not avail

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4420

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14-4547

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8/10/86

0 2339

- Every time released increases possibility that next one will be released; exposes other side to increased risk from opposition/exposure
- Referring to all the times an released at once everyone knows that a deal was made w/ "him"

- Personal visit recap:

40 Tabor
500 Tabor

②

③ 500 + HP + 137 using it

④

⑤ Meeting

⑥ Planning for disc:

- [REDACTED]

- HP

- Building location

4421

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under provisions of
E.O. 12958
by B. A. [REDACTED] on 01/14/01

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8/4/68 Q 2340

- Rice 315.5 ea
 1000 TOWT
 17 missing units
 40 Tubes
 2 HP

4 ea = 500T + 40 Tubes

4 ea = 500 + 137 missing

75 ea = 1 HP

155 ea

From Aug - 12.5

Tom

Declassified by 11/1/02
 under provision of E.O. 12958
 by B. Neger, National Security Council

4422

- Change Israel: Rice for
 1000 TOWT

- Israel: buy TOWT

- Payment Israel:

3.5 ea = 500T + 40 Tubes

3.5 ea = 500T + 137 missing

6.0 ea = 1 HP

13.0 ea Total TOWT

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Chapter 14, Footnote 48

Miscellaneous notes: August 15, 1986

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09516

XXI Adam admitted that he authorized part of the deal as mentioned in the Mercant's letter to the Australian. He did not authorize anything about Sidewinders. He have only read the first letter from Adam, not the second. This should give us some pause

4. follow instructions as follows:

- a. 39 of Item 24, plus 500 tires.
- b. One account is released.
- c. Test of missing items, one ~~medium~~ big box and 500 tires.
- d. another account is released.
- e. We meet in point Tango.
- f. negotiate for last account will require release of the 309 items controlled by Adam's people.

14-48

5. need a picture of Chairman of the  bank.

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4423

A

EX-100 1976

C11N 4028

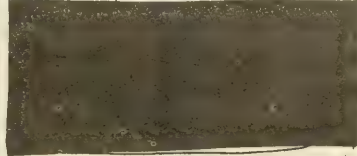
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14-55

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20 Aug 86 Chapter 14
Footnote 55- Roland/Ala will meet
w/ him next wk

Q 2349



☐ Check in/ Kops Re
Headlines
- Antibiotic

1988 - Case for NIE

- Miss. as parts from 248

- #16 - ~~18~~ Del. 2 don't work
- #27 - 2 Del 1 not work
- #16 - All 5 don't work
- #88 - 1 of 5 " "
- #123 - 7 of 10 " "
- #18-16 - higher order
- #22 - 6 Del. 2 proper; 4 new 3x5
- #204 - 2 new 3x5 deliqued deliqued
- #232-25 del. none functioning

See on 1/24/88
Under pro 10
By B. Rigg, et al.
Entry C

(4424)

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Q 2350

#1 Ask for 200 got 188

#4 Ask for 20 got 18

#9 Ask for 15 got 18

#24 " " 48 " 5 [Isabel Text?]

#47 " " 10 " 2

53 " " 20 " 15

61 " " 13 " 2

#88 31 13

182 5 1

116 15 4 check w/ wick

#127 32 18

133 5 1

#155 14 1

152 12 3

166 38 29

188 20 "

198 38 18

206 2 1

#215 15 1

#237 5 4 check w/ wick

21 Items w/ something wsg

299 total missing

(Includes 199 originally)

63 Items now finding or higher order

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20 Aug 76

2351

- went to return 63 items
- Gave merchant \$5.00
- 1000 Items #1

☐ Since [redacted] talking
to [redacted]
people on F-4 spare for
10-finger.

Our question:

- ① Will we continue w/ program
Told merchant that we were in hope.
Gave US Commercial Financier \$5.00
believe that we can get
2.500 more for total of \$3.500
for 5000 items + spare parts.
May have \$3.500 - \$4.000

☐ Translation of Tape

- ② Can we get 299 + 63 parts?
- ③ What to do w/ 63 defective parts?
- ④ We may be unable to roll over
financier - can we deal w/
1000 items

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by B. Rogers, Atlanta, Georgia

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14-44

See Hearing Exhibit OLN-296

14-49

See Hearing Exhibit JMP-21

14-58

See Hearing Exhibit OLN-272

14-61

See Hearing Exhibit OLN-272

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14-69

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14-70

See Hearing Exhibit AH-38

14-71

See Hearing Exhibit AH-39

14-79

See Hearing Exhibit OLN-300

See Hearing Exhibit OLN-299

See Hearing Exhibit OLN-302

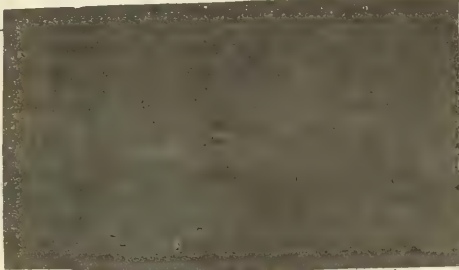
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Chapter 14 F 14-75

14-75

31-Jul

2307



- ~~1938~~ - ~~Call for Sam~~ ~~Call to~~
- ~~Case~~ ~~to meet~~
- ~~Madison~~ - ~~Small~~
- ~~Shipments donated~~
- ~~Tail~~ ~~for flight~~
- ~~Agreed that~~ ~~just met~~
- 1938 - ~~Call for Mr~~
- ~~very concerned about~~
- ~~payment assurances~~

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4425

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14-76

19 Aug 86

2345

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☐ Check on U.S. Embargo on
Iranian O.I.

☐ [REDACTED] issue

- Ready in December
- Visa expires

- Who is withholding us [REDACTED]

- When came out w/ [REDACTED] leaders
- came out w/ instructions to
act as intermediaries

★ - willing to come to U.S.

☐ Carol Shields and check on
[REDACTED] awareness of

☐ Base Work

• Olmstead / Bacon all O.V.

• [REDACTED] wants us to keep Base work

☐ [REDACTED] claims to be going
to work [REDACTED]

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under provision of E.O. 12958
by B. Roger National Security Council

4426

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Chapter
Fodme

14-77

Copp: 8/26/86 1320

N 2801

Partially Declassified/Released on 27 May 87
 under provisions of E.O. 12356
 by B. Regan, National Security Council

261800Z Aug 86.

1. Following is summary report of three long meetings -- total circa eight hours -- with Iranian gp visiting Brussels. Meetings took place August 25 in three segments. Iranian side was [redacted] of Rafsanjani [redacted]

[redacted] Our side included me -- true name -- Abe in true name, and [redacted] our agent. Meetings constituted comprehensive tour de force regarding Iran/Iraq War, Iranian views of U.S. and other western policies, Soviet activities, activities of nearly all important Iran government figures, hostage matters, activities in the Hague, and Iranian forces equipment and materiel shortages.

2. Special interest items included claim that [redacted] have recently tried to meet with [redacted] -- he has declined -- he wants to deal with the Presidents representatives. [redacted] is very sharp, [redacted] speaks no English.

[redacted] claims Rafsanjani now heads supreme war council and aims to terminate war but in little more favorable military situation for Iran than current. They badly need air defense items, armor spares, TOWs, gun barrels, helo spares, and [redacted]. I told them all things negotiable if we can clear the hostage matter quickly. [redacted] knew great deal about McFarlane msn to Thn. He also knows all about [redacted] Gorba, Isareli connection, and this gps financial [redacted]

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 11158
 12/2/86
 44

939

~~TOP SECRET~~

N 2802

~~TOP SECRET~~

2

greed. Gorba was nastly classified as a crook. [REDACTED] wealth of current of information but also volunteers to discuss hostage matter and USG connection with [REDACTED] in next 10 days. He will then return to Brussels for meeting with us. [REDACTED] said categorically he would not screw up [REDACTED] efforts but would carefully examine them for feasibility. [REDACTED] will recommend two courses to [REDACTED]

a. Assist in current [REDACTED] effort to release hostages or start new effort.

b. [REDACTED] says there are many specific things USG can do in the Hague and on Voice of America programming to help start USG/GOI talks -- he will give us documents on these subjects at next meeting.

3. Numerous military supply problems were discussed and I will detail these for you later this week in Washington. FYI: They need oil barter deals.

4. My judgement is that we have opened up new and probably much better channel into Iran. This connection has been effectively recruited and he wants to start dealing. Recommend you plan on bringing George to next meeting in two weeks or less.

Rgds, Dick. BT

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Chapter 14, Footnote 83

14-83

- will newspaper to publish
- why - broken by 3d country
- 4 Sep 86

17 Sep - City w/ Jupp

2388

☐ Go/NOGO ON SEQUENTIAL
DEMOGRAPHIC

☐ Pass. w/ Sequential OPS

- Reminding to keep going

- Trying to sell 3.14 Liput
in Europe

OFFER FOR \$1.54

- Customer investigation
of using A/C and
"Secur"

☐ City at Eglin - 16 Sep 86

☐ Cabling "good box" w/ 2L
and letter

- Pass w/ requested info.
- # of Texas

- need to talk to Jo-Lan.

- Iran/Iraq border solution

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4427

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Chapter 14, Footnote 14.8

14-85

8 Sept 0 2395

1350 - Call from Sam

- American called desperate
- Paid for party on date
- Going to see Cory now.

1430 - Call from Red Smith
Re Adger's Honey

- Recommended complaint
- 2 Paragraphs Re

1450 - Call from Charlie

- Corey to call JWP
- Gordon's report in
- Letter to Geo

- 4 times Sat.
- 2 times today.

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4418

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1530 - DIC (w)

o her (Hawthorne) from exp. how 9:00 am is to
be spent

o Re: Re: Re:

- Examine we will pay off her debts if
we can

- \$25K claimed

- Corey, Espinosa, the Stecker + Polina could
be a viable collaboration: + cult.

- Put Polina on "Ray as you go" basis for
central political

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Chapter 14

Footnotes

NOFORN/NOCONTRAST/ACOM
Central Intelligence

9/10/96

90,92,94

Washington, DC 20505

Partially Declassified/Released on 6/11/19
under provisions of E.O. 12356
by B. Reger, National Security Council

National Intelligence Council

10 September 1986

MEMORANDUM FOR: Director of Central Intelligence

14-90+92

FROM: Charles E. Allen
Director, Hostage Location Task Force

14-94

SUBJECT: American Hostages

* 1. I met with Ollie North last night at his office on American hostages. Ollie had just returned from a meeting with John Poindexter on the same subject.

2. Poindexter has given Ollie new guidance on the American hostages, namely:

- [REDACTED]
- Ollie is to continue to develop links to the Iranian Government through Albert Hakim and Dick Secord of Stanford Technology Associates. (Hakim, as you are aware, has links to the [REDACTED]. The [REDACTED] apparently is attempting to arrange for Ollie and George Cave to meet with Rafsanjani, presumably with the next shipment of arms to Tehran.)
- Ghobanifar will be cut out as the intermediary in future shipments of cargos to Iran, if at all possible. To cut Ghobanifar out, Ollie will have to raise a minimum of \$4 million.
- If there is no other channel for financing future arms shipments, then Ghobanifar will be used as a last resort.

3. Ollie is greatly relieved by Poindexter's decisions because he feared that John and the President would shut down completely this back channel to Iran because of the kidnapping yesterday of Frank Reed.

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- Reed released immediately

Charles E. Allen

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CL BY [REDACTED]
DECL OADR

1600

NOFORN/NOCONTRAST/ACOM

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14-102

UNCLASSIFIED

12/26

24 Aug 86 0 2364



Call Arden

- Trip to Vietnam

- doing strange things
going on - S.W./- Took taking pictures of
bushes - U.S./- Told to take out behind
release from the zone

- Did Robinson really met w/

- wouldn't have \$300

- would to meet w/ [redacted]

R.A.P.

(4428)

10/27/86
by [redacted]
10/27/86
by R. J. [redacted] Early Draft

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See Hearing Exhibit OLN-299

See Hearing Exhibit JMP-57

Chapter 14, Footnote 10a

14-106

UNCLASSIFIED

17 Feb 86

Q 2413

11. call for [redacted]
- Give merchant financial reports
 - 2 wk.
 - o Get Australian out
 - o Get enough to start rail car
 - not possible to get Aus. out
 - many doubts
 - US is bluffing
 - Probably not going to come just for that purpose
 - could take 2-3 wks.
 - possible reaction to "war preparedness"
 - does not have ability to raise what is needed
can only raise \$4.4

4429

UNCLASSIFIED

2. Navy Evaluation of Risk in 1980
 1. R. A. G. Sullivan, Faculty Co.

Chapter 14, footnotes 107

14-107

2 pages

N 2799 - N 2800

DENIED IN

TOTAL

Illegible not renewable

Chapter 14, Footnote 11c
J 595;**UNCLASSIFIED**

14-110

2 September 1986

MEMORANDUM FOR THE RECORD**SUBJECT: Hostage-Related Activities**

1. At the request of Mr. Goode on 29 August, I contacted Abe [redacted] on an alleged diversion of US TOW missiles to Iran. I had been alerted to this development two days earlier by Mr. Goode, who had been told by Abe that 1,250 TOWs were about to be shipped from Houston to [redacted] then on to Tehran. I had discussed this possible diversion with Buck Revell and Dale Martell of the FBI and Bill Rosenblatt and Gary Wahl of Customs.

2. On Friday evening, 29 August Abe informed me that he had learned from his man in London [redacted] that the TOWs would be shipped within 48 hours out of Houston. Abe stated that he expected to get the total story on 1 September, but that his contact [redacted] had been told by [redacted]

[redacted] that a shipment was imminent. The shipment consisted of a second generation of TOWs which were selling at \$13,000 apiece; four unnamed Americans were involved. According to Abe, [redacted] is related to [redacted]. The TOWs were to be flown from Houston [redacted] before transshipment on to Iran.

3. Based on this information and Mr. Goode's request that action be taken, I informed both the FBI and Customs of the new information and was assured that action was being taken. In fact, I was in touch with Mr. Wahl several times on 30-31 August and on 1 September. Mr. Wahl indicated that Customs had allocated a large number of agents in an effort to stop this alleged diversion.

4. On 1 September, Abe called me urgently to state that he had acquired some new information that could radically change our current view of the alleged TOW diversion. He said that he had been in telephone contact with [redacted] in London. [redacted] had talked with [redacted] in [redacted] and refused to provide the names of the four Americans involved in the transaction, claiming that the Americans might be "mafia-types" and revealing their names could put his life in jeopardy.

5. Abe stated that from what he has learned of the transaction to date, the footprints of the merchant and his banker are "all over this transaction." The banker can obtain end user certificates and the merchant has established two letters of credit with banks in Switzerland;

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By B. Rogers, National Security Council

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4431

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one of the letters of credit is from the London Branch of the Iranian National Bank. Abe speculated that these letters of credit could involve transactions that the merchant has underway with Mr. Goode. According to Abe, he had no information indicating that the TOWs had been shipped. The plan, according to Abe, was to get [redacted] to London where he will be vined and dined by [redacted] and hopefully will tell all he knows about the TOW transaction. At that time, the plan was to have [redacted] in London on the evening of 2 September. Abe again reiterated that "the merchant's M.O. is all over this transaction," noting that the merchant did not get paid until recently. Abe claims that he believes one letter of credit is for \$4M and the other for \$6M.

6. Abe stated that [redacted] first name was [redacted] and that his telephone numbers in [redacted]. He wondered whether the merchant was not operating separately; the proposed Houston deal may be imaginary, although there were probably four Americans in [redacted] at one point. Abe said that the telephone numbers of this agent, in London, [redacted] extension [redacted]

7. Abe called again on 2 September to state that [redacted] had been told by [redacted] that the shipment of TOWs arrived last night in Tehran. As a result of this shipment, Iran is prepared to consider the release of the American hostages. Currently, Iranian officials are examining the delivered TOWs; if all is in good order, Tehran will validate the letter of credit in the Swiss bank.

8. In the 2 September call, Abe stated that [redacted] was told by [redacted] that a meeting between "the two sides" would now be scheduled in Switzerland. [redacted] said that he wants [redacted] to participate; [redacted] demurred at this suggestion but told [redacted] that he would get back to him. [redacted] is checking [redacted] story with [redacted]. [redacted] reiterated that three hostages were being released as a result of the TOW shipment. Abe complained that [redacted] story made no sense at all, although it was possible that another operation was underway with the banker and the merchant perhaps cutting out Adam and Goode. Abe stated that Abe would not come to [redacted] as a result of the latest developments. Therefore, [redacted] will go to [redacted] tomorrow to talk directly with [redacted]

9. Abe called again on 2 September to state that [redacted] had called [redacted] again and claimed that three hostages had been released and "were on the way to the United States" from Tehran. When I protested that this did not make any sense, Abe said [redacted] was calling [redacted] to check the story. Abe then called back one more time to state that [redacted] "had talked to all the factions and they knew nothing about a hostage release. [redacted] was called [redacted] to check the story."

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J 595

18. [redacted] called once again on 2 September to inform me that the [redacted] was aware of the purported TOW transaction and the movement of these weapons in exchange for hostages. He said [redacted] had obtained this from [redacted]. He added that [redacted] claimed Rafsanjani was not personally knowledgeable of the transaction.



Charles S. Allen
National Intelligence Officer for Counterterrorism
Director, DCI/Hostage Location Task Force

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Chapter 14, Footnote 113

14-113

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9-26-86 2 2397

Roe = [REDACTED]

Fico. Leave Test for Gross.

-1266 [REDACTED] / [REDACTED]

- [REDACTED]
[REDACTED]- In 1982 we have been
trying to establish a direct
connection w/ East of [REDACTED]

- We mention him 18 days in

[REDACTED] offered some info
on location of [REDACTED]
give us [REDACTED]

① Iran/Iraq war -

• Have short-term "propaganda" value in
and this war - US, USSR.

• If [REDACTED] [REDACTED] war. Let + go

[REDACTED] [REDACTED] [REDACTED]

• Also in [REDACTED] from [REDACTED]

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4432

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by B. Jeger, National Security Council

□ Tell Father Albe
[redacted] [redacted] [redacted]
for [redacted]

- Individual that we are concerned
Club. Host
- [redacted] National to [redacted]
- Women is existing very to
- Will not demand much for
12 Host.

- Wanted to come to Sister
- Leaving [redacted] for [redacted] on Tuesday, then to U.S.
- [redacted] #1

• See to list shown by Richard

- ☐ Will Release one for photo

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Myrtus, *Banksia*, etc. - 1850. W. L. 126-127.

4433

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12 SEP 87

Q 2407

12 SEP

[REDACTED]

12 SEP - Call from RUS/RSK
have new info on

[REDACTED]

to visit him
in day not in capital

Truck to Frankfurt to D.C.

12 P's check on Bank Ind. Co.
from Dubai.

12 SEP - [REDACTED]

[REDACTED]

country report
at 12:00

[REDACTED]

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under provision of E.O. 12958
by R. Rogers, National Security Council

(4434)

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15 SEP 86

Q 2408

Financial Requirements:

- Merchant says he needs \$20M, he needs \$24M to cover financial change of 20%

- Merchant cannot convince

Q: Is w/ JWP: we
talked to P.W.

- Wago will not be raised w/ RR

* { - Wagley's issue:

- Sandhu's

- Place 20000 where things are going

- has been in touch w/ G. in Paris

- we try to raise funds for Sandhu's release

- JWP

1/22/87

Partially Declassified
 under pro
 by B. R. G. 1. 1. 1. 1. 1.

(4435)

2 years since Wagley's

- might be sub-contract deal by

Quadrif:

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UNCLASSIFIED

Reyer.

cc: d382C --CPUA
 FROM: BOB SABLE
 POSITION
 MSG FROM: NSOLN --CPUA
 TO: NSJMP --CPUA

MSAGN --CPUA

AL K22L

TO: NSJMP --CPUA

09/17/06 07:50:26

*** Reply to note of 09/10/06 13:15
 FROM FROM: OLIVER NORTH
 Subject: Iran
 regarding [REDACTED]
 the week, via parole papers

We are planning to bring him into the U.S. at the end of [REDACTED]

We (Cave, Clarridge, [REDACTED] North) decided to honor their request to keep this first meeting private (w/o Mir/Israelis) and to have it here so that they can confirm that they are indeed talking to the USG. We knew this when you and Mir met on Monday, but I had not yet had the chance to brief you. We will have a follow-up mtg with [REDACTED] in Europe and we will work Mir back into this op then. In the interim, Clair has put a hold on bringing [REDACTED] in because he does not know whether you have approved the operation. [REDACTED] and you pls call Casey and tell him to get on with moving the guy in so that we don't embarrass the hell out of ourselves w/ Rafsanjani.

Iran

N 18731

JMP 3a/58

14-114

UNCLASSIFIED

12 May 1997

UNCLASSIFIED

Chap 14, start 1150

From: NSOLM --CPUA
To: NSJHP --CPUA

Date and time 09/17/86 12:59:11

9/17/86

*** Reply to note of 09/10/86 13:15
NOTE FROM: OLIVER NORTH

Subject: Iran

Per your note on the surveillance package I called Casey and told him we need to get on with the parole paperwork in that you had already agreed - and had furthermore just endorsed the surveillance request. He acknowledged yr approval for the plan but said he was concerned about Shultz. He said he planned to tell Shultz in general terms that we were talking to another high level Iranian and that we would fill him in after the interview. I protested that experience showed that Shultz would then talk to [redacted] and [redacted] could well be the source of the Jack Anderson stuff we have seen periodically. Casey Agreed to proceed with the INS parole paperwork for [redacted] and the visa for his escort but noted that he would still talk privately to Shultz about this. We are now underway with getting [redacted] aboard a chartered jet out [redacted] CIA could not produce an aircraft on such "short notice" so Dick has chartered the a/c thru one of Project Democracy's overseas companies. Why Dick can do something in Spain that the CIA cannot do in two days is beyond me - but he does. Now the hell he is ever going to pay for it is also a matter of concern, but Dick is a good soldier and never even grouched about it. You may want to talk to Sec Shultz about [redacted] before Casey does. I will prepare a memo for you as soon as we talk to him.

J 6094

N 2892

14-115

(40)

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Chapter 14, Footnote 116

~~SECRET~~NATIONAL SECURITY COUNCIL
WASHINGTON DC 20505

14-116

Copp: 9/17/86 1720

N 2923

172035Z Sep 86. For Goode....

1. [REDACTED] will want intell info and a scheme for future provision of same. In the past, Casey has wanted to establish comms in Tehran and this might be the vehicle. We should give [REDACTED] very good OB data in narrative form so that he can take it back and make an impact. The stuff we used for [REDACTED] will have changed. It is no big task for an analyst to prepare such a briefing. I know there is skepticism about this new connection, but we will fail if we do not use our senses and produce something of use. Next he will want some kind of secure voice device for use in telecoms back here to us in the next few weeks or months -- there are a number of these items available commercially and I would hope that CIA could supply same [REDACTED] for him to take back. [REDACTED] will want to talk about war material and its relation to a long-term connection from U.S. to Iran. My opinion is that he and his group are attaching more importance to a long-term relationship than to any short-term quick fix, such as a few thousand TOWs. He will, however, have a list of needed items and will no doubt suggest some kind of shipment to clear the hostage matter and to firmly establish direct USG to GOI transactions and to eliminate the Gorbachev [REDACTED]. Thus, if I'm right, CIA must deliver the goods, good OB and come up with a [REDACTED] secure phone device.

Regards, Dick. BT

partially Declassified on 1/26/88
under provisions of E.O. 12958
by B. [REDACTED] National Security Council

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12/

See Hearing Exhibit OLN-201

See Hearing Exhibit OLN-302

CLASSIFIED AT TIME OF PUBLICATION.

See Hearing Exhibit OLN-202

14-139

~~TOP SECRET~~
UNCLASSIFIEDDeclassified/Released on 12/1/1987
under provisions of E.O. 12356
by 3. Reger, National Security CouncilMEMORANDUM OF CONVERSATION

1503

PARTICIPANTS: U.S.: Oliver North Iranian: [REDACTED]
 Richard Secord
 Sam O'Neill

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [REDACTED] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[REDACTED] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [REDACTED] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times.

[REDACTED] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance.

[REDACTED] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view.

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Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear.



On the subject of security, said this has two aspects: One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. admits that there are people within Iran who do espouse hostage taking and terrorism.

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3

~~TOP SECRET~~

[REDACTED]

The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [REDACTED] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [REDACTED] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran.

[REDACTED]

With respect to United States and Iran, [REDACTED] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real.

[REDACTED]

And finally, what [REDACTED] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [REDACTED] said, "did not believe in them." [REDACTED] claimed to have been working on this opening of relations

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed."

[redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran. This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion ensued as to what the people looked

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like and what assumed names they used. North continued. "You should understand that this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanating from Iran in Central America."

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanating from Iran in Central America."

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questioned the basis for this information. North responded. This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States.

The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran.

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The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quietly. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

North responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded.

In regard to the points made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized."

I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted]

[redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and it's impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

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continued. "It's good that you established your initial contact with [redacted]. This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with [redacted] because this was a pioneering move and [redacted] would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, [redacted] did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good."

[redacted] Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

[redacted] responded that the issue "would be resolved." The question of who [redacted] is and what his background is was then raised by North and [redacted] responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

[redacted] responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [REDACTED] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[REDACTED] turned back to [REDACTED]. He said that he is certain that [REDACTED] has not been profiteering, but instead has been working sincerely but, he [REDACTED] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [REDACTED] and there is always inconsistency between what he says and what Gorba claims."

[REDACTED]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[REDACTED] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [REDACTED] if he wants [REDACTED] on this joint committee?

[REDACTED] said, "Yes, but only for logistical purposes. I want to give more thought to [REDACTED] and how he can work with Hakim." With respect to Ghorbanifar, [REDACTED] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [REDACTED] said that our recent contacts with [REDACTED] have

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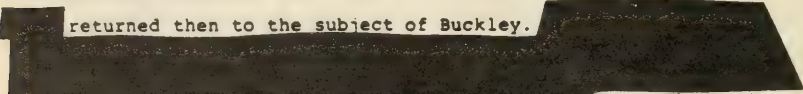
been very well handled



With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "We have in mind to give you fellows T-72 tank, for example."

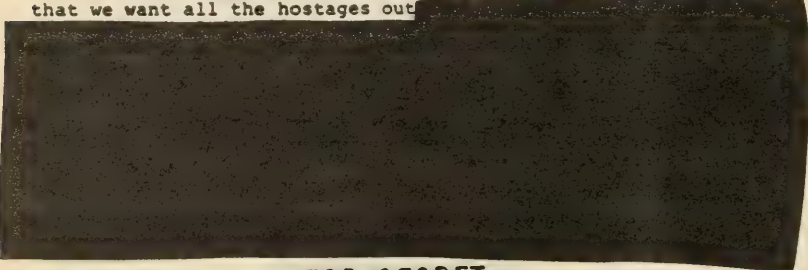
North again expressed concern about security and about Ghorbanifar, in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

returned then to the subject of Buckley.



He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. [redacted] also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out

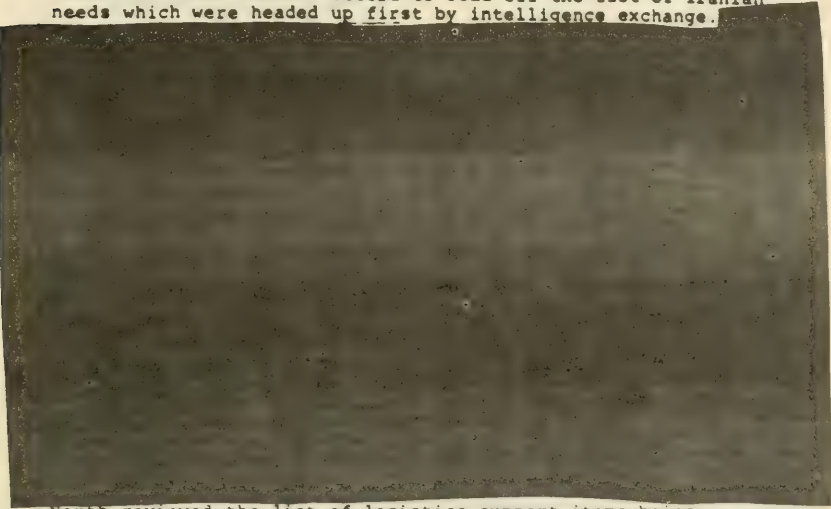
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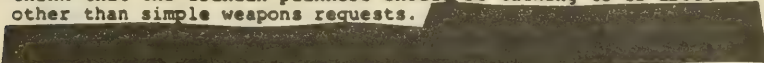
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At 1800 hours, the first session ended with a short break and then Albert Hakim and [REDACTED] joined the group. After being joined by the others, [REDACTED] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange.



North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [REDACTED] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests."



[REDACTED] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repel the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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██████████ said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. ██████████ stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list.

At this point, [redacted] requested that the entire group meet and [redacted] and Albert Hakim joined the meeting.

Secrecy takes longer and it costs more. With Ghorbanifar and [REDACTED] we have had a lengthy debate about prices for HAWK spare parts, with [REDACTED] claiming that we have charged six

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times more than the microfiche prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpreted the microfiche. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted]

[redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted]

[redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[REDACTED]

Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us [REDACTED] We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Saddam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Saddam Hussein."

[REDACTED]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [REDACTED] stated that he wanted to:

- "A. Take steps to form a small staff in Tehran for this project.
- B. Make instructions for the transfers of monies after lists are checked and agreed to.
- C. Inform his leadership about the Voice of America.
- D. Clear the way for the release and form a game plan for the hostages.
- E. As soon as possible, have a joint committee meeting which he, [REDACTED] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [REDACTED] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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MEMORANDUM OF CONVERSATION

1503

PARTICIPANTS: U.S.: Oliver North Iranian: [REDACTED]
 Richard Secord
 Sam O'Neill

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [REDACTED] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[REDACTED] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [REDACTED] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times.

[REDACTED] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance.

[REDACTED] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view.

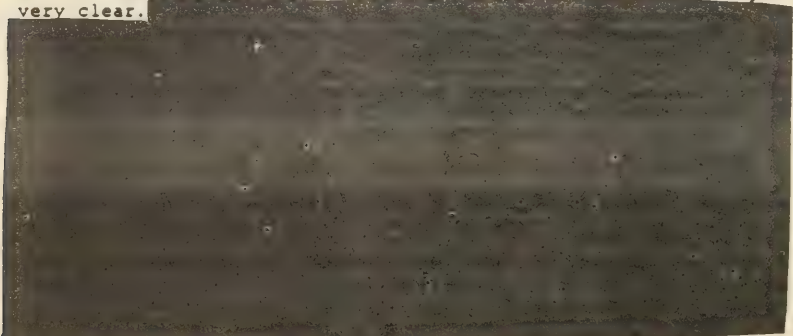
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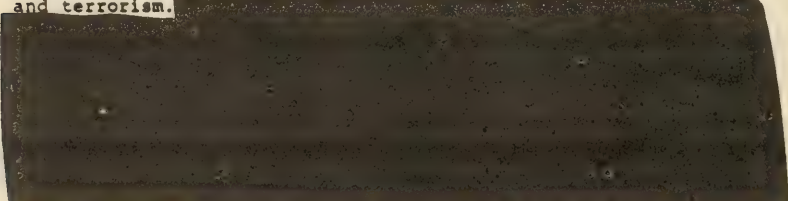
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Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear.



On the subject of security, said this has two aspects. One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. admits that there are people within Iran who do espouse hostage taking and terrorism.

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[REDACTED]

The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [REDACTED] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [REDACTED] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran.

[REDACTED]

With respect to United States and Iran, [REDACTED] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real.

[REDACTED]

And finally, what [REDACTED] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [REDACTED] said, "did not believe in them." [REDACTED] claimed to have been working on this opening of relations

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed."

[redacted]

[redacted] we recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran. This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion ensued as to what the people looked

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like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanating from Iran in Central America."

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questioned the basis for this information. North responded. This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States.

The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran.

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The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quietly. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

North responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded.

In regard to the points made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized."

I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [REDACTED] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [REDACTED]

[REDACTED] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[REDACTED] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[REDACTED] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and it's impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[REDACTED] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [REDACTED] either, but this is an Iranian matter."

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██████████ continued. "It's good that you established your initial contact with ██████████. This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with ██████████ because this was a pioneering move and ██████████ would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, ██████████ did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good."

██████████ Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

██████████ responded that the issue "would be resolved." The question of who ██████████ is and what his background is was then raised by North and ██████████ responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

██████████ responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [redacted] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[redacted] turned back to [redacted]. He said that he is certain that [redacted] has not been profiteering, but instead has been working sincerely but, he [redacted] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [redacted] and there is always inconsistency between what he says and what Gorba claims."

[redacted]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[redacted] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [redacted] if he wants [redacted] on this joint committee?

[redacted] said, "Yes, but only for logistical purposes. I want to give more thought to [redacted] and how he can work with Hakim." With respect to Ghorbanifar, [redacted] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [redacted] said that our recent contacts with [redacted] have

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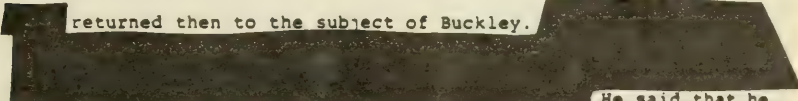
been very well handled



With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

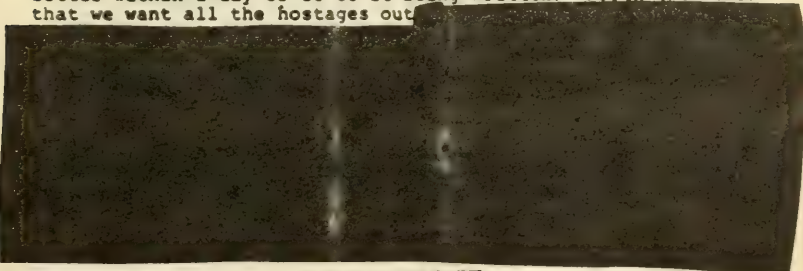
North again expressed concern about security and about Ghorbanifar in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

returned then to the subject of Buckley.



He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. He also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out

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At 1800 hours, the first session ended with a short break and then Albert Hakim and [REDACTED] joined the group. After being joined by the others, [REDACTED] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange.

[REDACTED]

North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [REDACTED] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests."

[REDACTED]

The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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than all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repel the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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██████████ said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. ██████████ stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list.

At this point, [redacted] requested that the entire group meet and [redacted] and Albert Hakim joined the meeting.

North then stated again that we are trying to get past the issue of the hostages and, in the past, to show our good faith, we have moved certain items to Iran. We are also trying to do things with secrecy. We understand that with normal relations it's going to take time.

Secrecy takes longer and it costs more. With Ghorbanifar and [REDACTED] we have had a lengthy debate about prices for HAWK spare parts, with [REDACTED] claiming that we have charged six

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times more than the microfiche prices which he has discovered somewhere. "This has caused great difficulty for us. [redacted] has misinterpreted the microfiche. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier.

[redacted]

We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran.

[redacted]

And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran.

[redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[REDACTED]

Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us. We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Saddam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Saddam Hussein."

[REDACTED]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [REDACTED] stated that he wanted to:

- "A. Take steps to form a small staff in Tehran for this project.
- B. Make instructions for the transfers of monies after lists are checked and agreed to.
- C. Inform his leadership about the Voice of America.
- D. Clear the way for the release and form a game plan for the hostages.
- E. As soon as possible, have a joint committee meeting which he, [REDACTED] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [REDACTED] took note of this

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18

as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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FILE: 3AP6

WHITE HOUSE COMMUNICATIONS AGENCY

N 12608

believe [redacted] seems to be o.k. We, Sam, Dick, Abe and I will meet here tomorrow from 11:00 until necessary. Will take care of clearing them in such a way that Dick can drive them directly into the south court of OSOB and leave his car inside during the meeting. This procedure should suffice for ensuring that he knows he is really meeting with the USG and not someone else. He will walk him over to the May Adams for lunch and then back in through the front gate so that we can get some good polaroid photos for him to take home (he asked Dick, for some way to bring these back with him so that he would not have to worry about getting the film developed at home.)

We will also wire my office appropriately for recording tomorrow's conversations. Questions: Would you or Al want to meet with [redacted] at some point during his time here? Do you think it wd be good to introduce him at some point during his brief stay here (he will probably depart Saturday afternoon), to LCN in that SCB is likely to be heading the next delegation back in his homeland?

MSG FROM: NSJNP --CPUA
TO: NSOLN --CPUA

TO: NSOLN --CPUA

09/22/86 03:37:02

*** Reply to note of 09/20/86 12:04

-- SECRET --

NOTE FROM: JOHN POINDBRITER

Subject: Iran

Good on the talks. Will look forward to debrief. OK on trip to London.

Iran

MSG FROM: NSJNP --CPUA
TO: NSOLN --CPUA

TO: NSOLN --CPUA

09/22/86 08:30:31

*** Reply to note of 09/20/86 12:04

-- SECRET --

NOTE FROM: JOHN POINDBRITER

Subject: Iran

What is relationship between Rafsanjani and PM? Will Casey talk to Shultz about [redacted]

Iran

MSG FROM: NSJNP --CPUA
TO: NSCPC --CPUA

TO: NSCPC --CPUA

09/22/86 08:39:34

*** Reply to note of 09/18/86 16:51

NOTE FROM: JOHN POINDBRITER

Security Executive Order 12956

Under Provisions of E.O. 12956

By: D. Carter, National Security Council

669

14-147

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PAGE 119

9 June 1987

14-148

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UNIT'S HOUSE COUNCIL, ATIONS AGENCY

for the purpose of the investigation, the following information is being furnished:

V/A, WORK

09/24/86 12:00:49

—0094

10: NSJP

435 PANA; M'OLA

See reply to note of 09/10/00 11:13

Subject: 1100

Subject: Iran

... will enter Casey this afternoon on the results of the discussion. Casey has asked that we are doing at Brayley for State or to spend on ... I told him this was your call. "any in trying a city on hold, Casey ... Casey, Casey and we to discuss situation prior to discussion/3611.

1800

196 PACH: MSOLN --CPDA

—C94A

19/22/86 09.33.49

16F55 104
--C401

See reply to note of 09/10/06 13:13

NOTES: 061789 0007M

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PAGE TWO

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WASHINGTON DC 20506

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2816

October 2, 1986

~~TOP SECRET~~SENSITIVEACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM: OLIVER L. NORTH
SUBJECT: Next Steps with IranChange 14
Footnote 149-151
163

14-157

[redacted] called Dick this morning to advise that he had just returned from Beirut and would very much like to meet with us in Frankfurt, Germany, on Monday, October 6. He indicates that he has "good news" regarding the hostages and that he wishes to get past the "obstacle" as quickly as possible. An appropriate travel approval is attached at Tab I.

George Cave is taking a well-deserved "mini-vacation" in Rome. We are telling all callers that he is in the hospital for tests on his back. In accord with [redacted] request, the U.S. side would be represented by: Sam O'Neill, Copp, and Goode.

This meeting also affords us the opportunity to deal with the issue of Israeli cooperation. Nir has been calling daily (often several times) urging that we get on with the process in our "joint venture." He constantly cites his September 10 meeting with you as the basis for proceeding urgently. Because we have not told him about our intention to pursue the [redacted] first, he continues to encourage Ghorbanifar to raise the requisite funds for another delivery. Ghorbanifar, in turn, has a frequent dialogue with [redacted] in this regard. All of this tends to create confusion among the various participants and an unnecessary OPSEC vulnerability. We need to act now to reduce the number of channels into the Iranians (at least on a temporary basis) and clarify various roles and missions. [redacted]

We (Cave, Clarridge, [redacted] and Copp) believe that we should move promptly on both fronts as follows:

-- [redacted] O'Neill, Copp, and Goode meet with [redacted] in Frankfurt on Monday, October 6. [redacted] has indicated that he has an internal consensus on how to proceed with regard to the hostages "obstacle." He has said that he will bring with him to this meeting "one of the officials we met with in

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Declassified/Released on 12 May 1987

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Tehran" and has asked that we bring with us a definitive sample of the intelligence we had discussed when he was here. Based on this, we believe that [REDACTED] may well accompany [REDACTED]. You will recall that [REDACTED] request for intelligence was very specific (the details were forwarded to you via PROFS). While the sensitivity of providing this information is well-recognized, it must also be noted that intelligence was given a higher priority by [REDACTED] than any other assistance we could provide. In the Casey [REDACTED] Cave-North meeting we had with you after [REDACTED] departed, we all agreed that it was unlikely that providing such information would change the course of the war. Further, we all recognized that the information need not be accurate and that it was highly perishable given the dynamic nature of the conflict. In short, we believe that a mix of factual and bogus information can be provided at this meeting which will satisfy their concerns about "good faith" and that we can use the "perishable argument as an incentive for the Iranians to accept a CIA communications team in Tehran. As before, we would not leave any documents with the Iranians, but will provide an exposition during which they could take detailed notes. Director Casey needs to be told to prepare the intelligence for handcarry to the meeting.

[REDACTED] has said he is bringing a Koran for the President. As a reciprocal gesture, we have purchased a Bible which we would present to [REDACTED] for him to take back to Tehran with him. Given our earlier discussions (see transcript), it would be very helpful if the President would inscribe a brief note citing a particular biblical passage (Tab III) in the front of the Bible. This particular excerpt is important in that it is a new testament reference to Abraham, who is viewed by Moslems, Jews, and Christians as the progenitor of all the world's nations. It would be most effective if the President hand wrote the inscription and initialed/signed it without addressing the note to any particular person.

-- Nir: When Amiram was here, we made a conscious decision not to apprise him of our near-term efforts with Rafsanjani's [REDACTED]. We did inform him earlier of the contact and he continues to inquire regarding the status of this initiative. Meanwhile, lacking guidance to the contrary, Nir has sought to stimulate further activity between Ghorbanifar and [REDACTED]. This has resulted in [REDACTED] calling directly to George's home and office several times daily and considerable confusion regarding why we have not accepted the [REDACTED] Ghorbanifar "offer" to purchase the remaining HAWK spare parts and 500 TOWs.

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From an operational perspective, the current communications arrangements are a command and control/OPSEC nightmare (Tab II). Nir essentially controls our access to both [redacted] and Ghorbanifar and, thus, we often find ourselves reacting to his well intentioned efforts. We believe that we now have an opportunity to change the relationship in such a way that Nir is placed in a supporting role rather than acting as a primary source of control. We also recognize that Israel's participation in this activity is both politically and operationally important. In altering Nir's status, we need to do so in such a way that he and those officials in his government who are cognizant continue to perceive that this is still a "joint venture."

In order to accomplish the objectives outlined above, we propose that on Saturday, October 4, Copp would fly to Tel Aviv and meet with Nir. At the meeting, Copp would use the talking points at Tab IV. In an effort to ameliorate Nir's angst over his "new status," we urge that the letter at Tab V to Prime Minister Peres be signed by the President. If you agree, we need your approval of the talking points at Tab IV and a Presidential signature (real or autopen) on Tab V by 3:00 p.m. Friday, October 3.

The steps above are designed to give us a chance to make the new relationship through the [redacted] function without destroying the Ghorbanifar [redacted] channel. We would, in effect, put Ghorbanifar [redacted] on "hold" until we see what [redacted] produces. Please note that when Copp briefs Nir in Tel Aviv on Saturday, he will not reveal that he is enroute to Frankfurt to meet [redacted]. Given [redacted] strong antipathy toward the Israelis and our uncertainty as to whether or not he knows that Nir (aka Miller) is Israeli, we would tell Nir on Sunday night that we were going to a hastily arranged meeting with [redacted] which he (Nir) will be unable to make due to lack of connecting flights to Frankfurt.

[redacted] has already told us, that shortly after the October 6 meeting, there will be a follow-on meeting of the "joint committee" in which [redacted] will be a participant. Unless we are convinced that the Iranians would recognize Nir as an Israeli, we would intend to invite Nir to this follow-on meeting.

A memo from you to the President has not been prepared for obvious reasons. It is hoped that between now and 3:00 p.m. Friday you will have an opportunity to privately discuss this with the President and obtain his approvals/signatures on the steps indicated above.

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~~TOP SECRET~~SENSITIVERECOMMENDATIONS

1. That you initial the travel authorization sheet at Tab I.

Approve *J*

Disapprove _____

2. That you tell Director Casey to prepare an appropriate intelligence package by Saturday, October 4, for the meeting with on Monday (departure Sunday evening).

Approve _____

Disapprove _____

3. That you have the President inscribe the attached Bible with the passage at Tab III (a card is paperclipped at the appropriate place in the Bible).

Approve *J*

Disapprove _____

4. That you approve the talking points at Tab IV for use by Copp with Nir on Saturday, October 4.

Approve *J* *see ?*

Disapprove _____

5. That you obtain a Presidential signature on the letter to Prime Minister Peres at Tab V.

Approve *J*

Disapprove _____

Attachments

- Tab I - Travel Authorization Sheet
- Tab II - Diagram
- Tab III - Bible (for Presidential inscription)
- Tab IV - Copp Talking Points
- Tab V - Presidential ltr to PM Peres

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UNCLASSIFIEDDATE: October 2, 1986

2820

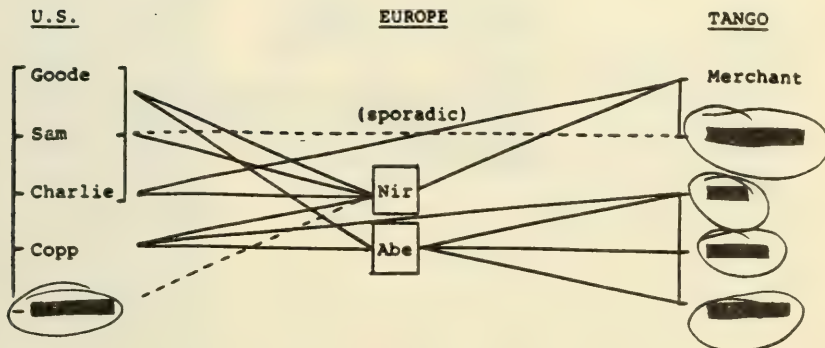
1. TRAVELER'S NAME: Mr. William P. Goode
2. PURPOSE(S), EVENT(S), DATE(S): Official travel to Frankfurt, GE, on Monday, October 6, to meet with our contacts regarding the current situation in the Middle East.
3. ITINERARY (Please Attach Copy of Proposed Itinerary):
- | | | | | |
|------|--------|------------|----------------|-----------|
| 10/5 | Depart | 8:00 p.m. | Dulles Airport | PanAm #60 |
| 10/6 | Arrive | 9:20 a.m. | Frankfurt, GE | |
| 10/7 | Depart | 12:45 p.m. | Frankfurt, GE | PanAm #61 |
| 10/7 | Arrive | 4:40 p.m. | Dulles Airport | |
- DEPARTURE DATE Sun, Oct 5 RETURN DATE Tues, Oct 7
- TIME 8:00 p.m. TIME 4:40 p.m.
4. MODE OF TRANSPORTATION:
- GOV AIR ☐ COMMERCIAL AIR ☒ POV ☐ RAIL ☐ OTHER ☐
5. ESTIMATED EXPENSES:
- TRANSPORTATION \$1872.00 PER DIEM ☒ OTHER ☐ TOTAL TRIP COST
6. WHO PAYS EXPENSES: NSC ☒ OTHER ☐
7. IF NOT NSC, DESCRIBE SOURCE AND ARRANGEMENTS: N/A
8. WILL FAMILY MEMBER ACCOMPANY YOU: YES ☐ NO ☒
9. IF SO, WHO PAYS FOR FAMILY MEMBER (If Travel Not Paid by Traveler, Describe Source and Arrangements): N/A
10. TRAVEL ADVANCE REQUESTED: \$ 0.00
11. REMARKS (Use This Space to Indicate Any Additional Items You Would Like to Appear on Your Travel Orders):
12. TRAVELER'S SIGNATURE: W. P. Goode
13. APPROVALS: [Signature]

UNCLASSIFIED

September 30, 1986

N 9104

2822-

~~TOP SECRET~~COMMUNICATIONS NETS

From an OPSEC perspective, there are too many channels into (and out from) the U.S. We can't hope to have this many players speak with one voice -- no matter how "good" they are individually.

Recommendation: Pare the U.S. communicators down to no more than two individuals (who either compare notes directly each day, or report to a common supervisor); e.g., Sam and Copp, who both report daily to North. Cut Charlie, [redacted], and anybody else out. Have them stop communications cold turkey (to support cover story of A-1 channel being blown, rolled up, and finished).

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INSCRIPTION BY PRESIDENT:

"And the Scripture, foreseeing that
God would justify the Gentiles by
faith, preached the gospel beforehand
to Abraham, saying, 'All the nations
shall be blessed in you'.

Galatians 3:8"

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N 9106

"And the Scripture, foretelling that
God would justify the Gentiles
by faith, preached the gospel
beforehand to Abraham, saying,
'All the nations shall be blessed in
you' Galatians 3:8"

Ronald Reagan
Oct. 3, 1956

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SENSITIVEINSTRUCTIONS TO COPP FOR MEETING WITH NIR

Saturday, October 4, 1986
Tel Aviv, Israel

N 9107
2827

You will have with you a letter from President Reagan to Prime Minister Peres thanking Mr. Nir for his courageous assistance to our mutual cause. You should initiate this discussion by presenting him with a copy of the letter and asking for his advice on delivering the original.

The objective of this discussion is to improve our control of events in this joint effort to establish a strategic relationship with Iran. The talking points below are intended to establish the parameters of your discussion and are designed to elicit further cooperation:

- ADM Poindexter has directed that I see you regarding our current Ghorbanifar [REDACTED] channel and discuss with you ways in which we can move together to accomplish our mutual objective -- a strategic relationship with Iran.
- [REDACTED]
- We believe that the first new hostage (Reed) was probably taken by elements other than Hizballah -- although they may have him in their hands now.
- We think that [REDACTED] may have believed that he could bring additional pressure to bear on us to commence further deliveries by seizing another hostage (or hostages).
- Quite the contrary is true. The President is adamant that we will not move forward on this channel until we resolve the new hostage issue.
- We are also concerned that the two new hostages (or at least Cicippio) represents a clear violation of the "understanding" we have had with the Iranians on anti-U.S. terrorism since June of last year.
- We do not want to engage in a process that results in new hostages just to bring "pressure to bear." Nor will we continue this process if, when the current hostages are released, more are taken, simply to elicit further deliveries of arms.

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- Aside from this very strong policy objection to continuing, we have, as you know, had repetitive financial and communications difficulties with Ghorbanifar. While we could debate as to whether or not Ghorbanifar had received all that was due him by the Iranians, the most important factor is potential OPSEC risk.
- In an effort to "keep things moving," Ghorbanifar has made commitments in our name which are patently beyond our ability to meet. This has resulted in increased expectations on the part of the Iranians.
- We know [REDACTED] that neither [REDACTED] nor other Iranian officials in Tehran trust Ghorbanifar. [REDACTED]
- Finally, both of us know that [REDACTED] himself, is not intellectually astute enough to realize the importance of our contact nor the sincerity of our desire to establish an official government-to-government relationship.
- In short, this channel is not serving our mutual objective: the reopening of a strategic relationship with Iran.
- The President has directed that we will not proceed with any further receipt of funds from Ghorbanifar nor deliveries to [REDACTED] until we resolve these issues.
- Several months ago, I apprised you of a contact with the [REDACTED] of Rafsanjani. The USG decided to pursue this contact to determine its validity.
- We are confident that [REDACTED] the man I met with in Brussels, is indeed Rafsanjani's [REDACTED] and that he has been franchised to act as a liaison between the U.S. and Iranian governments.
- When Prime Minister Peres was in Washington last month, the President assured him that we are going to continue this effort as a joint project.
- I have been instructed to seek out a second meeting with [REDACTED] as soon as it can be set up and that I will act as the U.S. intermediary until we establish direct contact with government officials from our side.

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- Once we have established direct USG contact with the [redacted] we intend to introduce you into this process under the same conditions as obtained when you went to Tehran with us.
- Based on my one initial meeting with [redacted] and the intelligence we have been able to collect, we believe that this contact may well prove to be the one that both your government and mine have been seeking.
(Remember Nir has been told that you "came upon" [redacted] as a consequence of looking into the possible diversion of TOWs through [redacted] during an investigation undertaken in late July/early August.)
- While we explore the sincerity of [redacted] and confirm his ability to speak for the Iranian government, we want to keep the Ghorbanifar/[redacted] channel on "hold."
- To that end, we have told Sam -- who is in the hospital -- he is to contact [redacted] and tell him that:
 - there must be a meeting with [redacted] before we proceed any further;
 - the issue of the two new hostages has become a strong, negative factor in proceeding at all;
 - this matter (the two new hostages) must be resolved before we will take any further steps for any further deliveries;
 - the problem is not the merchant and his financing, but rather the two new hostages;
 - contrary to what he [redacted] may expect, there will be no further deliveries until we have met and resolved this matter;
 - we have asked [redacted] to meet with us in Frankfurt on October 9 -- we do not yet have an answer.
- I intend to meet with [redacted], somewhere in Europe or Turkey, hopefully this week. I will then report back to Washington on my findings and a follow-on meeting will be set-up -- in which we will attempt to have you included.
- I want to caution you, however, that in my meeting in Brussels [redacted] indicated that he and others in Tehran are aware that you are an Israeli -- and knew it when you went to Tehran.

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- Neither of us want this contact, if it is indeed what I think it to be, to founder because of this.
- I have been instructed to find a way to have you in the meeting in which Goode and Sam will serve as the USG representatives.
- If my meeting with [REDACTED] this week goes well, I would expect that all of us could meet with him next week.
- In the interim, if [REDACTED] does indeed agree to meet with us under the conditions we have established, we should proceed with that meeting.

Approved _____

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From: NSJMP --CPUA
To: NSRCM --CPUA

Date and time 10/03/86 20 35:35

*** Reply to note of 10/03/86 20:24

UNCLASSIFIED N 7503

NOTE FROM: JOHN POINDEXTER

Subject: HAK & ZBIG

We have quite a bit of news on that front. It looks promising. We have made contact with Rafsanjani [REDACTED] Two meetings so far. One here in US. Ollie, Cava and Secord meet with him this weekend in Frankfurt. Your trip to Tehran paid off. You did get through to the top. They are playing our line back to us. They are worried about Soviets, Afghanistan and their economy. They realize the hostages are obstacle to any productive relationship with us. They want to remove the obstacle. [REDACTED] has been in Beirut, says he has good news for Frankfurt. We shall see. Still insisting on group release. If this comes off may ask you to do second round after hostages are back. Keep your fingers crossed.

14-159

Chapter 14

Footnote 159

UNCLASSIFIED

Partially Declassified / Released on 7 May 1987
under provisions of E.O. 12356
by D. Reger, National Security Council

556

VE 16
12/15

FILE: SEP86

AO WHITE HOUSE COMMUNICATIONS AGENCY

MSG FROM: ROBERT MCRAFLANS
 Subject: NAK & ZIG
 Roger: anytime John.

UNCLASSIFIED

By the way, I watched the news tonight and saw Peggy Say beating up on the Administration for not getting the Beirut hostages out. I haven't heard anything on that score for a while. But I get the sense that we are pretty much at the mercy of the Iranians.

If you think it would be of any value, I might be able to take a couple of months off and work on the problem. No guarantees and no need for any sponsorship (except for airfares and hotels) but I might be able to turn something up. Think about it.

NAK & ZIG

MSG FROM: MSGRP

TO: MSPUN

--CPDA

--CPHA

TO: MSPUN

PRIMA BODMAN

UNCLASSIFIED

10/04/86 10:55:27

JMP

3/28

Partially Declassified/Released on 5/24/2002
 Under: PROSECUTIONS of E.O. 12356
 By: Roger, J. J. 2nd Sec'y. Council

N 12620

14-160

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Chapter 14, Fastlane 1103

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WASHINGTON DC 20508

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October 2, 1986

SENSITIVEACTION

MEMORANDUM FOR JOHN M. POINDEXTER

FROM:

OLIVER L. NORTH

SUBJECT:

Next Steps with Iran

Chapter 14
Footnote 149

14-161/163

[redacted] called Dick this morning to advise that he had just returned from Beirut and would very much like to meet with us in Frankfurt, Germany, on Monday, October 6. He indicates that he has "good news" regarding the hostages and that he wishes to get past the "obstacle" as quickly as possible. An appropriate travel approval is attached at Tab 1.

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Tehran" and has asked that we bring with us a definitive sample of the intelligence we had discussed when he was here. Based on this, we believe that [REDACTED] may well accompany [REDACTED]. You will recall that [REDACTED] request for intelligence was very specific (the details were forwarded to you via PROFs). While the sensitivity of providing this information is well-recognized, it must also be noted that intelligence was given a higher priority by [REDACTED] than any other assistance we could provide. In the Casey [REDACTED] Cave-North meeting we had with you after [REDACTED] departed, we all agreed that it was unlikely that providing such information would change the course of the war. Further, we all recognized that the information need not be accurate and that it was highly perishable given the dynamic nature of the conflict. In short, we believe that a mix of factual and bogus information can be provided at this meeting which will satisfy their concerns about "good faith" and that we can use the "perishable argument as an incentive for the Iranians to accept a CIA communications team in Tehran. As before, we would not leave any documents with the Iranians, but will provide an exposition during which they could take detailed notes. Director Casey needs to be told to prepare the intelligence for handcarry to the meeting.

[REDACTED] has said he is bringing a Koran for the President. As a reciprocal gesture, we have purchased a Bible which we would present to [REDACTED] for him to take back to Tehran with him. Given our earlier discussions (see transcript), it would be very helpful if the President would inscribe a brief note citing a particular biblical passage (Tab III) in the front of the Bible. This particular excerpt is important in that it is a new testament reference to Abraham, who is viewed by Moslems, Jews, and Christians as the progenitor of all the world's nations. It would be most effective if the President hand wrote the inscription and initialed/signed it without addressing the note to any particular person.

-- Nir: When Amiram was here, we made a conscious decision not to apprise him of our near-term efforts with Rafsanjani's [REDACTED]. We did inform him earlier of the contact and he continues to inquire regarding the status of this initiative. Meanwhile, lacking guidance to the contrary, Nir has sought to stimulate further activity between Ghorbanifar and [REDACTED]. This has resulted in [REDACTED] calling directly to George's home and office several times daily and considerable confusion regarding why we have not accepted the [REDACTED] Ghorbanifar "offer" to purchase the remaining BAWK spare parts and 500 TOWs.

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From an operational perspective, the current communications arrangements are a command and control/OPSEC nightmare (Tab II). Nir essentially controls our access to both [redacted] and Ghorbanifar and, thus, we often find ourselves reacting to his well intentioned efforts. We believe that we now have an opportunity to change the relationship in such a way that Nir is placed in a supporting role rather than acting as a primary source of control. We also recognize that Israel's participation in this activity is both politically and operationally important. In altering Nir's status, we need to do so in such a way that he and those officials in his government who are cognizant continue to perceive that this is still a "joint venture."

In order to accomplish the objectives outlined above, we propose that on Saturday, October 4, Copp would fly to Tel Aviv and meet with Nir. At the meeting, Copp would use the talking points at Tab IV. In an effort to ameliorate Nir's angst over his "new status," we urge that the letter at Tab V to Prime Minister Peres be signed by the President. If you agree, we need your approval of the talking points at Tab IV and a Presidential signature (real or autopen) on Tab V by 3:00 p.m. Friday, October 3.

The steps above are designed to give us a chance to make the new relationship through the [redacted] function without destroying the Ghorbanifar [redacted] channel. We would, in effect, put Ghorbanifar [redacted] on "hold" until we see what [redacted] produces. Please note that when Copp briefs Nir in Tel Aviv on Saturday, he will not reveal that he is enroute to Frankfurt to meet [redacted]. Given [redacted] strong antipathy toward the Israelis and our uncertainty as to whether or not he knows that Nir (aka Miller) is Israeli, we would tell Nir on Sunday night that we were going to a hastily arranged meeting with [redacted] which he (Nir) will be unable to make due to lack of connecting flights to Frankfurt.

[redacted] has already told us, that shortly after the October 6 meeting, there will be a follow-on meeting of the "joint committee" in which [redacted] will be a participant. Unless we are convinced that the Iranians would recognize Nir as an Israeli, we would intend to invite Nir to this follow-on meeting.

A memo from you to the President has not been prepared for obvious reasons. It is hoped that between now and 3:00 p.m. Friday you will have an opportunity to privately discuss this with the President and obtain his approvals/signatures on the steps indicated above.

~~TOP SECRET~~~~UNCLASSIFIED~~SENSITIVE

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N 9102

27

~~TOP SECRET~~SENSITIVERECOMMENDATIONS

1. That you initial the travel authorization sheet at Tab I.

Approve J

Disapprove _____

2. That you tell Director Casey to prepare an appropriate intelligence package by Saturday, October 4, for the meeting with on Monday (departure Sunday evening).

Approve _____

Disapprove _____

3. That you have the President inscribe the attached Bible with the passage at Tab III (a card is paperclipped at the appropriate place in the Bible).

Approve J

Disapprove _____

4. That you approve the talking points at Tab IV for use by Copp with Nir on Saturday, October 4.

Approve J see ?

Disapprove _____

5. That you obtain a Presidential signature on the letter to Prime Minister Peres, at Tab V.

Approve J

Disapprove _____

Attachments

- Tab I - Travel Authorization Sheet
- Tab II - Diagram
- Tab III - Bible (for Presidential inscription)
- Tab IV - Copp Talking Points
- Tab V - Presidential ltr to PM Peres

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UNCLASSIFIEDDATE: 11 October 2, 1986
2320

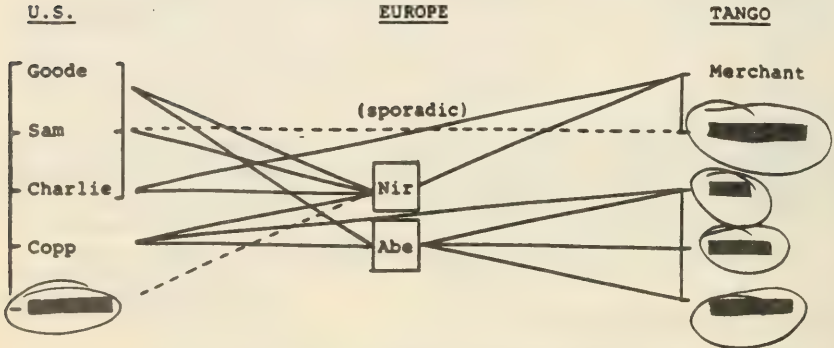
1. TRAVELER'S NAME: Mr. William P. Goode
2. PURPOSE(S), EVENT(S), DATE(S): Official travel to Frankfurt, GE,
on Monday, October 6, to meet with our contacts regarding the
current situation in the Middle East.
3. ITINERARY (Please Attach Copy of Proposed Itinerary):
- | | | | | |
|------|--------|------------|----------------|-----------|
| 10/5 | Depart | 8:00 p.m. | Dulles Airport | PanAm #60 |
| 10/6 | Arrive | 9:20 a.m. | Frankfurt, GE | |
| 10/7 | Depart | 12:45 p.m. | Frankfurt, GE | PanAm #61 |
| 10/7 | Arrive | 4:40 p.m. | Dulles Airport | |
- DEPARTURE DATE Sun, Oct 5 RETURN DATE Tues, Oct 7
- TIME 8:00 p.m. TIME 4:40 P.m.
4. MODE OF TRANSPORTATION:
GOV AIR COMMERCIAL AIR XX POV RAIL OTHER
5. ESTIMATED EXPENSES:
TRANSPORTATION \$1872.00 PER DIEM XX OTHER TOTAL TRIP COST
6. WHO PAYS EXPENSES: NSC XX OTHER
7. IF NOT NSC, DESCRIBE SOURCE AND ARRANGEMENTS: N/A
8. WILL FAMILY MEMBER ACCOMPANY YOU: YES NO XX
9. IF SO, WHO PAYS FOR FAMILY MEMBER (If Travel Not Paid by Traveler, Describe Source and Arrangements): N/A
10. TRAVEL ADVANCE REQUESTED: \$ 0.00
11. REMARKS (Use This Space to Indicate Any Additional Items You Would Like to Appear on Your Travel Orders):
12. TRAVELER'S SIGNATURE: W. P. Goode
13. APPROVALS: [Signature]

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September 30, 1986

N 9104

2011

~~TOP SECRET~~COMMUNICATIONS NETS

From an OPSEC perspective, there are too many channels into (and out from) the U.S. We can't hope to have this many players speak with one voice -- no matter how "good" they are individually.

Recommendation: Pare the U.S. communicators down to no more than two individuals (who either compare notes directly each day, or report to a common supervisor); e.g., Sam and Copp, who both report daily to North. Cut Charlie, [redacted], and anybody else out. Have them stop communications cold turkey (to support cover story of A- [redacted] channel being blown, rolled up, and finished).

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N 9105
2920

INSCRIPTION BY PRESIDENT:

"And the Scripture, foreseeing that
God would justify the Gentiles by
faith, preached the gospel beforehand
to Abraham, saying, 'All the nations
shall be blessed in you'.

Galatians 3:8"

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N 9106

"And the Scripture, foretelling that
 God would justify the Gentiles
 by faith, preached the gospel
 beforehand to Abraham, saying,
 'All the nations shall be blessed in
 you' Galatians 3:8"

Ronald Reagan
 Oct. 3, 1986

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~~TOP SECRET~~

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SENSITIVEINSTRUCTIONS TO COPP FOR MEETING WITH NIR

Saturday, October 4, 1986
Tel Aviv, Israel

N 9107
28.7

You will have with you a letter from President Reagan to Prime Minister Peres thanking Mr. Nir for his courageous assistance to our mutual cause. You should initiate this discussion by presenting him with a copy of the letter and asking for his advice on delivering the original.

The objective of this discussion is to improve our control of events in this joint effort to establish a strategic relationship with Iran. The talking points below are intended to establish the parameters of your discussion and are designed to elicit further cooperation:

- ADM Poindexter has directed that I see you regarding our current Ghorbanifar [redacted] channel and discuss with you ways in which we can move together to accomplish our mutual objective -- a strategic relationship with Iran.
- [redacted]
- We believe that the first new hostage (Reed) was probably taken by elements other than Hizballah -- although they may have him in their hands now.
- We think that [redacted] may have believed that he could bring additional pressure to bear on us to commence further deliveries by seizing another hostage (or hostages).
- Quite the contrary is true. The President is adamant that we will not move forward on this channel until we resolve the new hostage issue.
- We are also concerned that the two new hostages (or at least Cicippio) represents a clear violation of the "understanding" we have had with the Iranians on anti-U.S. terrorism since June of last year.
- We do not want to engage in a process that results in new hostages just to bring "pressure to bear." Nor will we continue this process if, when the current hostages are released, more are taken, simply to elicit further deliveries of arms.

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N 9108

- Aside from this very strong policy objection to continuing, we have, as you know, had repetitive financial and communications difficulties with Ghorbanifar. While we could debate as to whether or not Ghorbanifar had received all that was due him by the Iranians, the most important factor is potential OPSEC risk.
- In an effort to "keep things moving," Ghorbanifar has made commitments in our name which are patently beyond our ability to meet. This has resulted in increased expectations on the part of the Iranians.
- We know [redacted] that neither [redacted] nor other Iranian officials in Tehran trust Ghorbanifar. [redacted]
- Finally, both of us know that [redacted] himself, is not intellectually astute enough to realize the importance of our contact nor the sincerity of our desire to establish an official government-to-government relationship.
- In short, this channel is not serving our mutual objective: the reopening of a strategic relationship with Iran.
- The President has directed that we will not proceed with any further receipt of funds from Ghorbanifar nor deliveries to [redacted] until we resolve these issues.
- Several months ago, I apprised you of a contact with the [redacted] of Rafsanjani. The USG decided to pursue this contact to determine its validity.
- We are confident that [redacted] the man I met with in Brussels, is indeed Rafsanjani's [redacted] and that he has been franchised to act as a liaison between the U.S. and Iranian governments.
- When Prime Minister Peres was in Washington last month, the President assured him that we are going to continue this effort as a joint project.
- I have been instructed to seek out a second meeting with [redacted] as soon as it can be set up and that I will act as the U.S. intermediary until we establish direct contact with government officials from our side.

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- Once we have established direct USG contact with the [redacted] we intend to introduce you into this process under the same conditions as obtained when you went to Tehran with us.
- Based on my one initial meeting with [redacted] and the intelligence we have been able to collect, we believe that this contact may well prove to be the one that both your government and mine have been seeking.

(Remember Nir has been told that you "came upon" [redacted] as a consequence of looking into the possible diversion of TOWs through [redacted] during an investigation undertaken in late July/early August.)
- While we explore the sincerity of [redacted] and confirm his ability to speak for the Iranian government, we want to keep the Ghorbanifar/[redacted] channel on "hold."
- To that end, we have told Sam -- who is in the hospital -- he is to contact [redacted] and tell him that:
 - there must be a meeting with [redacted] before we proceed any further;
 - the issue of the two new hostages has become a strong, negative factor in proceeding at all;
 - this matter (the two new hostages) must be resolved before we will take any further steps for any further deliveries;
 - the problem is not the merchant and his financing, but rather the two new hostages;
 - contrary to what he [redacted] may expect, there will be no further deliveries until we have met and resolved this matter;
 - we have asked [redacted] to meet with us in Frankfurt on October 9 -- we do not yet have an answer.
- I intend to meet with [redacted], somewhere in Europe or Turkey, hopefully this week. I will then report back to Washington on my findings and a follow-on meeting will be set-up -- in which we will attempt to have you included.
- I want to caution you, however, that in my meeting in Brussels [redacted] indicated that he and others in Tehran are aware that you are an Israeli -- and knew it when you went to Tehran.

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- Neither of us want this contact, if it is indeed what I think it to be, to founder because of this.
- I have been instructed to find a way to have you in the meeting in which Goode and Sam will serve as the USG representatives.
- If my meeting with [REDACTED] this week goes well, I would expect that all of us could meet with him next week.
- In the interim, if [REDACTED] does indeed agree to meet with us under the conditions we have established, we should proceed with that meeting.

Approved _____

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its Entirety

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Chapter 14, Footnotes

166-167,

3 February 1987

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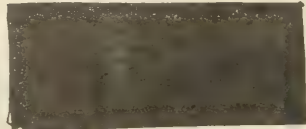
MEMORANDUM FOR THE RECORD**SUBJECT: FRANKFURT TAPES**

H-166 to 167

TO: Charles Allen
 NIO Counterterrorism
 CIA [REDACTED]

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.



Declassify On: Ongoing Agency's Determination Required

Partially Declassified: 1/26/88
 under provision of E.O. 12958
 by B. [REDACTED] National Security Council

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((TAPE A11))

C 313

([REDACTED] AND ANOTHER PERSIAN, APPARENTLY [REDACTED]
 [REDACTED] CONVERSING. ONLY ISOLATED WORDS AND PHRASES
 CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.)

((END TAPE A11))

((TAPE A12))

([REDACTED] AND ANOTHER PERSIAN, [REDACTED]
 CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.
 CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A
 TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL
 ORDERING BREAKFAST FOR ROOM [REDACTED]. HAKIM ARRIVES.
 HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER.
 SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE
 (THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE
 MEETINGS.) LATER, PHONE RINGS AND [REDACTED] TALKS
 BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.)

((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM,
 [REDACTED] AND [REDACTED] TELEVISION ON. ONLY ISOLATED
 PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING
 READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW.
 VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING
 ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM.
 SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [REDACTED]
 AND [REDACTED] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE.
 THEN:))

SECOND: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME.
 BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECOND: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING--
 DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

SECOND: OUR GROUP, WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

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 under provision of E.O. 12958
 by B. R. 1, National Security Council

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AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS; YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECOND: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECOND: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECOND: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE, IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [REDACTED] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECOND: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECOND: TILL WE PREPARE TO GO FORWARD. TILL WE GET READY TO MOVE FORWARD. YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUGH THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECOND: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF. BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

CAVE: ((INTERPRETS))

NOFORN

SECOND: THE NEXT POINT IS RELATED TO THIS POINT, AND THIS HAS TO DO WITH

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CAVE: ((INTERPRETS))

SECORD: [REDACTED] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECORD: [REDACTED] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES, FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECORD: HE TALKS ON THE TELEPHONE ALL THE TIME. [REDACTED] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECORD: [REDACTED] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [REDACTED] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECORD: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR. *Incredible that Secord only investigates against*

CAVE: ((INTERPRETS)) *Glorba*

SECORD: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECORD: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEMS WE WANT TO GET OUR HOSTAGES OUT; WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [REDACTED] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [REDACTED] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECORD: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS WE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO. AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

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HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT, THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [REDACTED] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECOND: BUT THEY GIVE [REDACTED] MONEY, THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED], NOT ONLY [REDACTED] BUT IN THE CONTEXT OF ALL THE OTHER ?IRANIANS? THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECOND: IN OTHER WORDS, HE AGREES WITH ME.

CAVE: ((INTERPRETS)) ((INAUDIBLE))
((SEVERAL EXCHANGES INAUDIBLE)).

CAVE: ((INTERPRETS)) [REDACTED] HAS TOLD EVERYTHING HE KNOWS? TO [REDACTED]? ((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [REDACTED] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [REDACTED] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECOND: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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(END OF TAPE A147)

((TAPE A15))

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CAVE: ((INTERPRETS)) HE SAYS IF YOU'D ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME, HE SAYS HE HAD TEN CALLS FROM [REDACTED] ASKING WHERE HIS MONEY WAS.

SECOND: MY SUGGESTION IS THAT WE SIMPLY TAKE [REDACTED] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [REDACTED] AND, THROUGH [REDACTED] WITH THIS GROUP.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS. ?TRYING ONLY TO SET? HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE ?SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECOND: THAT IS OUR RESPONSIBILITY; WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECOND: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [REDACTED] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM, HE WAS INVOLVED IN THE [REDACTED] THING. WE DIDN'T [REDACTED] THAT, AND YOU KNOW THAT THE [REDACTED] WERE VERY INTERESTED IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO [REDACTED] GHORBANIFAR

SECOND: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECOND: I THINK THE EVIDENCE WE GOT, [REDACTED] DID WE NOT?

CAVE: ((INTERPRETS))

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((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST, AND HE'S AFRAID THAT IT MIGHT BE ?DISASTROUS? ((FEW WORDS MISSED)).

SECORD: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECORD: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES, BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY....

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED)) ?PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US, AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECORD TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECORD: NORTH WANTS TO TALK. LET'S FINISH THIS.

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS, BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED)).

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SECORD: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECORD: IF [REDACTED] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECORD: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THING THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))," AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WORDS MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECORD: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECORD: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECORD: [REDACTED] ... THAT'S THE REAL SOLUTION.

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE. AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE ?PHONE CALL?." THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECORD: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECORD: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECOND: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN. I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECOND: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECOND: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECOND: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)). ((PHONE RINGS)) SECOND SAYS TO PARTY ON PHONE, "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN. AND THAT'S PART OF THE PROBLEM.

((KNOCK ON THE DOOR))

?NORTH? ARE YOU FINISHED?

SECOND: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECOND: YEAM ((THEN, SPEAKING TO [REDACTED]) NOW, WE HAVE NOT SOLVED THAT PROBLEM. AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECOND: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

((CAVE AND [REDACTED] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES

NORTH:

GOOD MORNING.

CAVE:

I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECOND: BEFORE WE START?

CAVE: YEAR. UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEASING THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TURN THEM OVER TO THE SYRIANS. LET THEM RELEASE THEM, AND THEN SAY SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TO THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPEN THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECOND: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDLY GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECOND: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECOND: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET THIS DOWN.

((PORTION INAUDIBLE.))

SECOND: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WITH THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING.

((MUTTERING IN THE BACKGROUND: ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES?. AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED)) BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?ALD THIS? AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM. ((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

NORTH: NO. WE GOT TWO SITTING UP IN.

CAVE: I DON'T GIVE THEM THE. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA. WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS JUST ENTER THE CODES. BUT I HAVE TO GET THEM OUT OF GENEVA.

SECOND: WELL, WE'D LIKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

CAVE: EXPLAINS TO [REDACTED] THAT THEY MAY NOT BE ABLE TO GIVE THEM

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CAVE:

((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

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Chapter 14, Room 168

YOU OUGHT TO SEE THE INTELLIGENCE ON IRAN THAT WE'VE GOT. WHAT I'M TRYING TO DO FOR YOU... AND I'VE SPENT 25 YEARS OF MY LIFE IN THE MILITARY... THAT'S IMPORTANT.

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HAKIM: ((INTERPRETS))

NORTH: WHAT THE PRESIDENT TOLD ME TO DO WAS TO BUILD THE BEST POSSIBLE INTELLIGENCE [REDACTED] WE DIDN'T GIVE YOU A FULL INTELLIGENCE PACKAGE BACK IN FEBRUARY.

HAKIM: ((INTERPRETS))

NORTH: BASED ON THE [REDACTED]

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[REDACTED] PREPARE A LIST OF MOST NEEDED ITEMS THAT WE WOULD RECOMMEND TO YOU

HAKIM: ((INTERPRETS))

NORTH: HE ONLY PUT ONE CONSTRAINT ON WHAT I DID. "YOU WILL NOT." HE SAID TO ME. "RECOMMEND ITEMS THAT WOULD ALLOW OR ENCOURAGE THE IRANIAN ARMY OR THE PASDARAN TO SEIZE BAGHDAD "

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) ISN'T IT YOUR UNDERSTANDING FROM EVERYTHING THAT YOU HAVE SEEN THAT BAGHDAD IS NOT ONE OF THEIR OBJECTIVES?

NORTH: MY FRIEND, I UNDERSTAND THAT I ACTUALLY BELIEVE THAT BUT I ONE HELL OF A TIME CONVINCING PEOPLE LIKE CASPER WINEBERGER AND GEORGE SHULTZ.

HAKIM: ((INTERPRETS))

NORTH: AND THAT'S AN IMPORTANT FACTOR HERE

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE SAYS THAT YOU THEY DID NOT BELIEVE THAT THEY COULD SEIZE FAW, BUT THEY DID

NORTH: THAT'S WHAT SCARED THE HELL OUT OF CASPER WEINBERGER AND GEORGE SHULTZ ((LAUGHS))

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE SAYS THEY ARE NOT GOING TO WAIT FOR SHULTZ AND WEINBERGER TO SEIZE BAGHDAD

NORTH: ((LAUGHING)) I UNDERSTAND THAT

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by B. Rogers, National Security Council

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UNCLASSIFIEDDeclassified / Released on 1/24/1987
under provisions of E.O. 12356
by 2. Reger, National Security CouncilMEMORANDUM OF CONVERSATION

1503

PARTICIPANTS: U.S.: Oliver North Iranian: [REDACTED]
 Richard Secord
 Sam O'Neill

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [REDACTED] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[REDACTED] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [REDACTED] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times.

[REDACTED] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance.

[REDACTED] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view.

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[REDACTED] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[REDACTED] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear.

[REDACTED]

On the subject of security, [REDACTED] said this has two aspects: One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [REDACTED] admits that there are people within Iran who do espouse hostage taking and terrorism.

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[REDACTED]

The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [REDACTED] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [REDACTED] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran.

[REDACTED]

With respect to United States and Iran, [REDACTED] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real.

[REDACTED]

And finally, what [REDACTED] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [REDACTED] said, "did not believe in them." [REDACTED] claimed to have been working on this opening of relations

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed."

[redacted] we recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted]. This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion ensued as to what the people looked

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like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanating from Iran in Central America."

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questioned the basis for this information. North responded. This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States.

The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran.

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The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quietly. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded.

In regard to the points made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized."

I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [redacted] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [redacted]

[redacted] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[redacted] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[redacted] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Secord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and it's impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if he were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[redacted] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [redacted] either, but this is an Iranian matter."

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████ continued. "It's good that you established your initial contact with █████. This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with █████ because this was a pioneering move and █████ would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, █████ did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good."

████ Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

████ responded that the issue "would be resolved." The question of who █████ is and what his background is was then raised by North and █████ responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

████ responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [REDACTED] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[REDACTED] turned back to [REDACTED]. He said that he is certain that [REDACTED] has not been profiteering, but instead has been working sincerely but, he [REDACTED] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [REDACTED] and there is always inconsistency between what he says and what Gorba claims."

[REDACTED]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[REDACTED] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [REDACTED] if he wants [REDACTED] on this joint committee?

[REDACTED] said, "Yes, but only for logistical purposes. I want to give more thought to [REDACTED] and how he can work with Hakim." With respect to Ghorbanifar, [REDACTED] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [REDACTED] said that our recent [REDACTED] with [REDACTED] have


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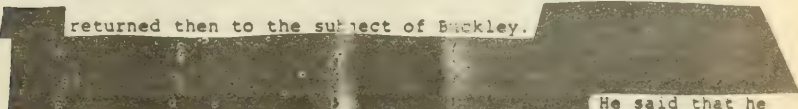
been very well handled.



With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."


North again expressed concern about security and about Ghorbanifary in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

returned then to the subject of Buckley.



He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. He also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out.

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At 1800 hours, the first session ended with a short break and then Albert Hakim and [REDACTED] joined the group. After being joined by the others, [REDACTED] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange.

[REDACTED]

North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [REDACTED] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests."

[REDACTED] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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e been shipped so far, is
Iraq and the Soviets as
1. For example, we have
rough Albert Hakim's
-suppliers could be more

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repel the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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█████ said that perhaps we need a secret exchange of letters between our leaders and he will address this upon return to Tehran. █████ stated that after we establish a basis for a relationship, all problems can be addressed. He said that he is completely in agreement with the point about not relying on the arms dealers or other non-official entities. On immediate needs, he could right now order the money to be paid for any of the items that might be available. He said that he could even get the money by telephone.

interrupted describing the difficulty of conducting discussions in Tehran. For example, there are three different groups that usually have to be consulted. Also in preparing for the coming offensive, they have shortages in some of the equipments and these are the ones that are mentioned in his list

At this point, [redacted] requested that the entire group meet and [redacted] and Albert Hakim joined the meeting.

Secrecy takes longer and it costs more. With Ghorbanifar and [REDACTED] we have had a lengthy debate about prices for HAWK spare parts, with [REDACTED] claiming that we have charged six

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times more than the microfiche prices which he has discovered somewhere. "This has caused great of difficulty for us. [redacted] has misinterpreted the microfiche. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [redacted] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [redacted] which he said he understood and so did [redacted]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employed by the Government of the United States."

A short break was then taken and the meeting reconvened without [redacted] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier.

[redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran.

[redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran.

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[REDACTED]

Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us. [REDACTED] We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Saddam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Saddam Hussein."

[REDACTED]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [REDACTED] stated that he wanted to:

- "A. Take steps to form a small staff in Tehran for this project.
- B. Make instructions for the transfers of monies after lists are checked and agreed to.
- C. Inform his leadership about the Voice of America.
- D. Clear the way for the release and form a game plan for the hostages.
- E. As soon as possible, have a joint committee meeting which he, [REDACTED] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [REDACTED] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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Chapter 14

Footnotes 170-172

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176 189

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13 November 1986

MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

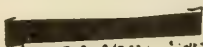
1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.

2. The remaining segments of the transcription will be forwarded upon completion.



14-170 to 172

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Partially Declassified Pursuant to E.O. 12958
 by B. Reagan, National Security Council

(TAPE 12)

((TAPE BEGINS WITH HAKIM AND [REDACTED] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [REDACTED] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

ECORD: BEFORE YOU GO TO THIS "INTEL", MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

HAKIM: ((INTERPRETS))

ECORD: THE FIRST IS POLITICAL.

(([REDACTED] LEAVES THE ROOM AT THIS POINT (TO GO TO BATHROOM?) AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [REDACTED] COMES BACK IN THE ROOM.))

ECORD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [REDACTED] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TONS FOR HAWK PARTS AND FOR HIGH POWERED RADARS. WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

HAKIM: ((INTERPRETS))

ECORD: [REDACTED] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

HAKIM: ((INTERPRETS))

ECORD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

HAKIM: ((INTERPRETS))

ECORD: WHICH SEEMS REASONABLE TO US, AND GOOD, BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS.

HAKIM: ((INTERPRETS))

ECORD: WE ALSO, I WOULD MAKE CLEAR TO [REDACTED] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE. SOME OF THE LARGER NUMBERS, FOR INSTANCE, 10 THOUSAND 175 SOURCE WOULD TAKE A LONG TIME.

HAKIM: ((INTERPRETS))

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ECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)), BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

AKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US, ((INTERUPTED BY KNOCK ON DOOR))

ECORD: WE WOULD LOSE OUR SECRECY.

WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

AKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC. IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC. ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

ORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

AKIM: ((INTERPRETS))

ORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT

AKIM: ((INTERPRETS))

ORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAG WAR.

AKIM: ((INTERPRETS)) (BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE ENGAGING ON A COURSE TO CREATE A BALANCE OF POWER THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS")

ORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

AKIM: ((INTERPRETS))

ORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

AKIM: ((INTERPRETS)) IT SPELLED OUT FOR THE IRANIANS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES.

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3RTH: THAT SATURDAY WHEN [REDACTED] WAS IN WASHINGTON. AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT. AND I SHOWED HIM THE LIST. AND HE SAID. "WHY ARE YOU THINKING SO SMALL?"

AKIM: ((INTERPRETS))

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3RTH: HE TOOK THE LIST. THAT LIST RIGHT THERE. AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID. "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH. YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

3RTH: "... I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

3RTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD. WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [REDACTED] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS-WHAT-AKIM-IS SAYING TO [REDACTED] FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION. BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCOVERED.

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHEN I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS WHICH IS THE HONOR OF THE U.S.

AKIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON

I WANT TO TELL YOU THAT IF THREE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN. A FEW WORDS

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(MISSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTENCE.

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE, AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BECA MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY.

SETH: LET ME GIVE YOU SOME APPROXIMATION FOR YOUR CONSIDERATION. FIRST OF ALL, WE HAVE ALREADY IN AN EFFORT TO SHOW THAT WE ARE GINGERE AND THAT WE REALLY DO WANT TO HAVE A RELATIONSHIP WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS:

HAKIM: ((INTERPRETS))

SETH: WE SENT A HIGHLY CONFIDENTIAL MAN WITH [REDACTED] A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU.

HAKIM: ((INTERPRETS))

SETH: SECOND, FOR LONGER THAN I CAN SAY, I HAVE BEEN IN TALKS WITH A MEMBER OF YOUR GOVERNMENT. [REDACTED] TO TELL HIM THAT I WAS WHO I SAID I WAS, I WAS GOING FOR THE PRESIDENT OF THE U.S. IN FEBRUARY, I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TONS. AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

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HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN)) AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TONS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: THE PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [REDACTED] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS)) [REDACTED] DOESN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY THE NEED TO SHOW OUR GOOD FAITH AGAIN.

HAKIM: ((INTERPRETS))

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JOINT: WHEN I GO BACK--AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT, THAT IT IS NOT IRAN WHO HOSTS THE AMERICANS.

AKIM: ((INTERPRETS))

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JOINT: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES.

AKIM: ((INTERPRETS))

JOINT: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

AKIM: ((INTERPRETS))

JOINT: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

AKIM: ((INTERPRETS))

JOINT: VERY, VERY PRIVATELY WITH THE KUWAITIS. LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT.

AKIM: ((INTERPRETS))

JOINT: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM.

AKIM: ((INTERPRETS))

AKIM: IN RESPONSE, AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS TO BE BASED ON OUR LAWS.

JOINT: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS.

AKIM: ((INTERPRETS))

JOINT: YOU AND I BOTH KNOW WHAT THE KUWAITIS REALLY WANT IN ORDER TO RELEASE THE AMERICANS.

AKIM: ((INTERPRETS))

JOINT: AMERICANS ARE COMPLETELY THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEONE RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OF A PERIOD OF TIME, THAT THERE WON'T BE ANY MORE ATTACKS ON THE PART OF THE DAWA.

JOINT: ((INTERPRETS))

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MAX IM: ((INTERPRETS))

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HAKIM: ((INTERPRETS:))

HAXIN: ((INTERPRETS))

HAKIM: ((INTERPRETS))

((END OF SIDE A))

((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

TAXI: ((INTERPRETS))

04.11: ((INTERPRETS))

MAIN: (INTERPRETS)

24.119: CONTINUOUS

44. IN-100 (INTERPRET) ...

AKIN. (INTERPRETS).

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF. THAT I THINK THAT HE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((INTERESTS)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ... GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY.

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE HIGHER THING WERE BEHIND US, AND I THINK WE HAVE JOINED TOGETHER ALSO, TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE BEHIND THE ACQUISITION OF ARMS DEALERS LIKE GORBANIPAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP SHIPPING THEM, IF WE GIVE YOU AN EXAMPLE. MR. GORBANIPAR AND MR. [REDACTED] STOPPING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

HAKIM: ((INTERPRETS))

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE...

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HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH: YES, AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH: I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE, LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [REDACTED]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [REDACTED] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[REDACTED] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

HAKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME: IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. ((LAUGHTER))

HAKIM: DOES ANYONE KNOW WHERE [REDACTED] IS?

NORTH: NO, OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

HAKIM: ((SAYS [REDACTED] WHERE [REDACTED] IS)) HE KNOWS WHERE HE IS

AVE. ((IN PERSIAN)) WHAT'S HER NAME? ((LAUGHTER))

NORTH: WHAT IS IMPORTANT, AND IT IS EXTREMELY DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME, REALLY, IS NOT ON OUR SIDE.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE WAY AND WE AGREE, BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

0RTH: LET ME MAKE JUST ONE LAST POINT. AND THEN IT'S YOUR TURN. C 382
 IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF

AKIM: ((INTERPRETS))

([REDACTED] ARRIVES)

0RTH: RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[REDACTED] THERE IS MCFARLANE.

0RTH: HE WANTS TO BE PRESIDENT?

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT ((LAUGHTER))

0RTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 HE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

0RTH: HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM: ((INTERPRETS))

0RTH: THAT'S WHY HE BELIEVED IN THE VERSE HE TOOK FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

0RTH: IT ISN'T A SHORT-TERM THING JUST TO GET ELECTED OR TO SOLVE SOME IMMEDIATE PROBLEM. AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM VIEW.

AKIM: ((INTERPRETS))

0RTH: HE KNOWS THAT JUDAH HUSSEIN IS A PRESIDENT.

AKIM: GO ON, ANYTIME TO TRANSLATE THAT.

0RTH: GO AHEAD. THAT'S HIS WORD. NOT YOUNG.

((SPEAKING ABOUT THE ABOVE))

AKIM: THE INFORMATION THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYBODY ELSE. THIS IS A VERY SERIOUS MATTER WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS. WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [REDACTED] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [REDACTED]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT. AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [REDACTED]

CAVE

CAVE

NORTH

CAVE

NORTH

CAVE

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NORTH

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Chapter 14

Footnotes 170-172

174, 184, 185, 187

176, 189

13 November 1986

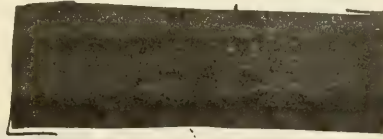
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MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

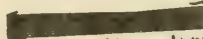
TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.
2. The remaining segments of the transcription will be forwarded upon completion.



14-1746176

Version 1.0.0.0 - 1/26/88
 Version 1.0.0.0 - 10.1988
 Version 1.0.0.0 - 10.1988



Declassify On: Original, Agency's Disposition Required

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(TAPE 12)

Refiling: Declassify, if possible, on 4/21/87
 under provisions of E.O. 12958
 by B. Rios, National Security Council

((TAPE BEGINS WITH HAKIM AND [REDACTED] TALKING QUIETLY TOGETHER AT TIMES. EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP. SO THAT IF YOU SAID ANYTHING IN FRONT OF [REDACTED] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

ECCRD: BEFORE YOU GO TO THIS PINTEL, MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

(KIM: ((INTERPRETS))

ECCRD: THE FIRST IS POLITICAL

(([REDACTED] LEAVES THE ROOM AT THIS POINT TO GO TO BATHROOM. AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [REDACTED] COMES BACK IN THE ROOM.))

ECCRD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [REDACTED] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TONS FOR HAWK PARTS AND FOR HIGH POWERED RADARS. WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS

(KIM: ((INTERPRETS))

ECCRD: [REDACTED] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING

(KIM: ((INTERPRETS))

ECCRD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE FURTHER LEVEL DISCUSSIONS

(KIM: ((INTERPRETS))

ECCRD: WHICH SEEMED REASONABLE TO US, AND GOOD, BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS

(KIM: ((INTERPRETS))

ECCRD: WE ALSO, I WOULD ADD CLEAR TO [REDACTED] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE. SOME OF THE LARGE NUMBERS, FOR INSTANCE, 10 THOUSAND S-3 SOURCES WOULD TAKE A LONG TIME

(KIM: ((INTERPRETS))

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ECCRD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)), BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

AKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US. ((INTERRUPTED BY KNOCK ON DOOR))

ECCRD: WE WOULD LOSE OUR SECRECY

WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

AKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC., IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC., ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

ORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

AKIM: ((INTERPRETS))

ORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT

AKIM: ((INTERPRETS))

ORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAQ WAR.

AKIM: ((INTERPRETS)) (BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMPARKING ON A COURSE TO CREATE A BALANCE OF POWER THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS")

ORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN

AKIM: ((INTERPRETS))

ORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT FORD IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US

AKIM: ((INTERPRETS)) IT SPELLED OUT FOR THE IRANISMS WHAT THE "HOCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES

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IRTH: THAT SATURDAY WHEN [REDACTED] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

AKIM: ((INTERPRETS))

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IRTH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

IRTH: "... I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

IRTH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [REDACTED] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS WHAT AKIM IS SAYING TO [REDACTED] FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCOVERED.

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS WHICH IS THE HONOR OF THE U.S.

AKIM: ((INTERPRETS)) AND TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON.

AKIM: I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN, A FEW WORDS

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MISSSED)) HE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTENCE.

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE. AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY.

JEFF: LET ME GIVE YOU SOME ADVICE ON HOW TO GO ON. FIRST OF ALL, WE HAVE ALREADY IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE AN AGREEMENT WITH YOUR GOVERNMENT--AND A RELATIONSHIP--I HAVE TAKEN THE FOLLOWING STEPS:

HAKIM: ((INTERPRETS))

JEFF: WE SENT AN AMBASSADOR TO TEHRAN AND WE HAVE A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU.

HAKIM: ((INTERPRETS))

JEFF: SECONDLY, I WOULD LIKE TO SAY THAT I HAVE BEEN IN DIALOGUE WITH A MEMBER OF YOUR GOVERNMENT. I WOULD LIKE TO TALK TO HIM THAT I WAS WHO I SAID I WAS, ASKING FOR THE RELEASE OF THE U.S. IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 300 TONS. AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

HAKIM: ((INTERPRETS))

CAVE: ((IN PERSIAN)) AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TONS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: THE PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [REDACTED] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

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HAKIM: ((INTERPRETS))

ORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

ORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

ORTH: I GO BACK HOME AND I SAY THE NEED TO SHOW OUR GOOD FAITH AGAIN.

HAKIM: ((INTERPRETS))

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JOETH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT, THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS."

AKIM: ((INTERPRETS))

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JOETH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES

AKIM: ((INTERPRETS))

JOETH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

AKIM: ((INTERPRETS))

JOETH: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

AKIM: ((INTERPRETS))

JOETH: VERY, VERY PRIVATELY WITH THE KUWAITIS. LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT

AKIM: ((INTERPRETS))

JOETH: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM

AKIM: ((INTERPRETS))

AKIM: IN MEMBERSHIP AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS TO REEVALUATE ON OUR OWN

JOETH: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS

AKIM: ((INTERPRETS))

JOETH: YOU AND I BOTH KNOW THAT THE KUWAITIS REALLY WANT IN ORDER TO RELEASE THE AMERICANS

AKIM: ((INTERPRETS))

JOETH: AND IT'S VERY SIMPLE. THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEBODY RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME, THAT THERE WON'T BE ANY MORE ATTACKS ON THE PART OF THE DAWA

AKIM: ((INTERPRETS))

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH: WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))

((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

HAKIM: ((INTERPRETS))

NORTH: WE ARE PREPARED TO DO MORE. WE ARE PREPARED RIGHT NOW TO LAY OUT BEFORE YOU VERY SENSITIVE INTELLIGENCE.

WE HAVE BEEN TALKING FOR IN WASHINGTON

HAKIM: ((INTERPRETS))

NORTH: TO OBTAIN THE [REDACTED] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM TO YOU.

HAKIM: ((INTERPRETS))

NORTH: AND TO PROVIDE VERY SENSITIVE ADDITIONAL DEFENSIVE EQUIPMENT I MIGHT SAY TO US TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE LIKE A MINE IN THE ROAD.

HAKIM: ((INTERPRETS))

NORTH: IF ALL OF WHAT WE ARE SAYING AND PLAN TO DO BECOMES KNOWN [REDACTED] IT IS IMPORTANT THAT WE HAVE THAT ISSUE BEHIND US.

HAKIM: ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF. THAT I THINK THAT HE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES, AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECOND: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((INTERESTS)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ... GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECOND: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

NAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

NAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE MIS AND THING WERE BEHIND US, AND I THINK WE HAVE AFTER TOGETHER ALREADY--TO SET THE STAGE FOR THAT TO HAPPEN.

NAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STORED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE BEING USED, BECAUSE OF ARMS DEALERS LIKE GORBANIFAR, WE STOPPED THEM.

NAKIM: ((INTERPRETS))

NORTH: WE CAN STOP SHIPPING THEM, LET ME GIVE YOU AN EXAMPLE. MR. GORBANIFAR AND MR. [REDACTED] ARE GETTING LEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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CAVE: HERE ARE SOME OTHER WEAPONS AND PARTS WHICH ARE AVAILABLE FROM OTHER COUNTRIES THAT WE CAN GET TO YOU, AND WE CAN LET IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE.

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HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH: YES, AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) DOES THAT COMPLICATE IT??

NORTH: I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [REDACTED]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [REDACTED] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[REDACTED] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

HAKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME. IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. (LAUGHTER)

HAKIM: DOES ANYONE KNOW WHERE [REDACTED] IS?

NORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

HAKIM: (LAUGHS) [REDACTED] WHERE [REDACTED] IS? HE IS TELLING WHERE HE IS

AVE. [REDACTED] IN PERSONALLY. WHAT'S HER NAME? (LAUGHTER)

NORTH: WHAT IS IMPORTANT, AND IT IS PROBABLY DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE MANNER AND WE OUGHT TO, BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH: LET ME MAKE JUST ONE LAST POINT. AND THEN IT'S YOUR TURN. C 382
 IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF

AKIM: ((INTERPRETS))

([REDACTED] ARRIVES)

ORTH: RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[REDACTED] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 HE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH: HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE. IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM: ((INTERPRETS))

ORTH: THAT'S WHY HE BELIEVES ONE LEASE HE'D GO FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH: IT ISN'T A SHORT-TERM THING JUST TO GET REFLECTED OR TO SOLVE SOME IMMEDIATE PROBLEM. AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM VISION.

AKIM: ((INTERPRETS))

ORTH: HE KNOWS THAT GODMAN HADN'T IN A (RECOGNITIVE)

AKIM: YOU WANT ME TO TRANSLATE THAT?

ORTH: GO AHEAD. THAT'S HIS WORD. NOT MINE.

((MORNING ABOUT THE ABOVE))

ORTH: THE INFORMATION THAT WE ARE ABOUT TO GIVE YOU WE HAVE NEVER GIVEN TO ANYONE ELSE. THIS BETAIN AND REAGAN OR WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [REDACTED] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [REDACTED]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [REDACTED]

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Chapter 14, Footnotes 179-182

FOR IT POLITICALLY WITHIN YOUR COUNTRY. THE PRESIDENT UNDERSTANDS THAT OKAY WE TOLD [REDACTED] WHEN HE WAS IN OUR COUNTRY THAT WE UNDERSTOOD AND RECOGNIZED THE NEED FOR A PERCEPTIBLE VICTORY FOR THE IRANIAN PEOPLE 370

HAKIM ((INTERPRETS FOR [REDACTED] AS FOLLOWS)) YOU MUST BELIEVE THAT WE UNDERSTAND THAT YOU NEED THIS OFFENSIVE. THE PRESIDENT ALSO UNDERSTANDS. THEY ARE SENSITIVE TO THE DESIRE FOR A VICTORY BY THE IRANIAN PEOPLE. THESE ((FEW WORDS UNCLEAR)) HAVE BEEN SAID REPEATEDLY. WHAT THESE GENTLEMEN ARE SAYING IS NOT THAT YOU SHOULD NOT STAGE AN OFFENSIVE. WHAT THEY ARE SAYING IS ALONG THE LINES OF WHAT YOU SHOULD DO TO REACH YOUR OBJECTIVE. ((FEW WORDS UNCLEAR)) THERE ARE VARIOUS PATHS TO VICTORY. THE COURSE WHICH SHOULD BE CHOSEN CAN BE DISCERNED BETTER IF YOU ((FEW WORDS)) INFORMATION

NORTH. THE PRESIDENT HAS SAID AND I SAID THIS TO YOU. AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT AND HE SAID, "I UNDERSTAND WHY WE SHOULD DO EVERYTHING POSSIBLE TO INSURE AN HONORABLE PEACE FOR IRAN."

HAKIM ((INTERPRETS, BUT SAYS "HONORABLE VICTORY" INSTEAD OF "HONORABLE PEACE"))

[REDACTED] ((IN ENGLISH)) DON'T EXPLAIN THAT PLEASE.

HAKIM WHY YOU DON'T EXPLAIN TO THEM HOW THEY CAN ACHIEVE VICTORY

NORTH BECAUSE I'M NOT SURE THAT OUR DEFINITIONS OF VICTORY ARE COMPLETELY COMPATIBLE

HAKIM ((INTERPRETS))

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HAKIM ((INTERPRETS)) HE SAYS HE CANNOT UNDERSTAND WHY YOU CANNOT UNDERSTAND BECAUSE HE SAYS FOR THEM ((FEW WORDS UNCLEAR))

NORTH SADDAM HUSAIN OKAY AND I DON'T KNOW QUITE EXACTLY HOW THAT'S ALL GOING TO WORK OKAY. ONE OF THE THINGS THAT WE WOULD LIKE TO DO IS THAT WE WOULD LIKE TO BECOME ACTIVELY ENGAGED IN ENDING THIS WAR IN SUCH A WAY THAT IT BECOMES VERY EVIDENT TO EVERYBODY THAT THE GUY WHO IS CAUSING THE PROBLEM IS SADDAM HUSAIN

HAKIM ((INTERPRETS))

NORTH RIGHT NOW. I JUST LAST FRIDAY TALKED TO THE KUWAITI FOREIGN MINISTER. [REDACTED] I WERE TO TALK TO FIVE. OR IF I WERE TO TALK TO ANY OF THE OTHER ARAB LEADERS, THEY WOULDN'T SAY SADDAM HUSAIN IS THE PROBLEM. THEY'D SAY IRAN IS THE PROBLEM.

HAKIM ((INTERPRETS))

NORTH WHAT WE'RE TALKING ABOUT IS A PROCESS BY WHICH ALL THE REST OF THE ARAB WORLD COMES VERY QUICKLY TO REALIZE THAT IRAN IS NOT A THREAT TO THEM. IRAN IS NOT GOING TO OVERRUN KUWAIT. IRAN IS NOT GOING TO OVERTHROW THE GOVERNMENT OF SAUDI ARABIA. THAT THE REAL PROBLEM IN PREVENTING PEACE IN THE REGION IS SADDAM HUSAIN, AND THEY WE'LL HAVE TO TAKE CARE OF THAT

HAKIM ((INTERPRETS))

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Post under pro. 140182
by R. Scott in home security unit

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THIS IS THE CONCLUSION THAT YOU HAVE REACHED

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HA-III. ((INTERPRETS AS)) DO YOU REALLY BELIEVE THIS?

NORTH YES. THE INNER CIRCLE OF OUR GOVERNMENT KNOWS THAT. THEY HAVE COME TO UNDERSTAND THE ONLY THING THAT THREW A WRINKLE IN IT IS THE TWO NEW HOSTAGES.

HAKIM ((INTERPRETS.))

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SECOND LOOK. I WANT TO ADDRESS THIS LIST JUST AS WE DID IN WASHINGTON

(([REDACTED] AND HAKIM CONFER QUIETLY IN THE BACKGROUND U.S. NEGOTIATORS TALK PRIVATELY AMONG THEMSELVES SEVERAL CONVERSATIONS GOING ON A SIMULTANEOUSLY))

((END OF TAPE 11))

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Partially Declassified Pursuant to E.O. 12958
 by B. [redacted], National Security Council

(T A P E 12)

((TAPE BEGINS WITH HAKIM AND [redacted] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD. AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [redacted] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

ECORD: BEFORE YOU GO TO THIS "INTEL", MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

AKIM: ((INTERPRETS))

ECORD: THE FIRST IS POLITICAL.

(([redacted] LEAVES THE ROOM AT THIS POINT TO GO TO BATHROOM? AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [redacted] COMES BACK IN THE ROOM.))

ECORD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I.E. [redacted] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TONS FOR HAWK PARTS AND FOR HIGH POWERED RADARS. WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

AKIM: ((INTERPRETS))

ECORD: [redacted] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

AKIM: ((INTERPRETS))

ECORD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

AKIM: ((INTERPRETS))

ECORD: WHICH SEEMS REASONABLE TO US, AND GOOD BECAUSE WE WANTED TO HAVE A MORE RELIABLE NATIONAL SYSTEM FOR DISCUSSIONS.

AKIM: ((INTERPRETS))

ECORD: WE ALSO, I HOPE, MADE CLEAR TO [redacted] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE--SOME OF THE LARGE NUMBERS, FOR INSTANCE, 10 THOUSAND H'S SOURCE WOULD TAKE A LONG TIME.

AKIM: ((INTERPRETS))

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ECORD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)), BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

AKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US, ((INTERPRETED BY KNOCK ON DOOR))

ECORD: WE WOULD LOSE OUR SECRECY.

WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN, ((FEW WORDS MISSED))

AKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC., IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC., ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

ORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE MAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

AKIM: ((INTERPRETS))

ORTH: THOUSANDS OF PEOPLE IN THE U.S., AT A MINIMUM, WOULD KNOW ABOUT THAT

AKIM: ((INTERPRETS))

ORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAG WAR.

AKIM: ((INTERPRETS)) (BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMPLOYING ON A COURSE TO CREATE A BALANCE OF POWER THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS")

ORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN.

AKIM: ((INTERPRETS))

ORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US.

AKIM: ((INTERPRETS)) IT SPELLS OUT FOR THE IRANISMS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES.

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08TH: THAT SATURDAY WHEN [REDACTED] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

09TH: ((INTERPRETS))

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08TH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

09TH: ((INTERPRETS))

08TH: "... I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IRAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

09TH: ((INTERPRETS))

08TH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

09TH: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [REDACTED] ABOUT THE ROLE HE IS PLAYING IN THIS.))

AVE: ((INTERPRETS--HAKIM IS SAYING TO [REDACTED] FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

09TH: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

09TH: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCLOSED.

09TH: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT ASSURED THAT I HAVE SOMETHING IN HAND?

09TH: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS, WHICH IS THE HONOR OF THE U.S.

09TH: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON.

09TH: I WANT TO TELL YOU THAT IF THESE HOSTAGES WERE IN OUR POSSESSION, THAT LIKE THE MATTER OF THE AMERICAN HOSTAGES IN IRAN, IN NEW WORDS

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MISSSED)) WE WOULD HAVE RESOLVED IT.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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HAKIM: ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

HAKIM: ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTANCE.

HAKIM: ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSSED)) IN A MESS.

HAKIM: ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE. AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

HAKIM: ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED. IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSSED)) STILL BE A MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

HAKIM: ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE

HAKIM: ((INTERPRETS)) PLEASE SHOW ME THE WAY

DATA: LET ME GIVE YOU SOME ADVICE. FIRST OF ALL, WE HAVE ALREADY IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE AN AMITY WITH YOUR GOVERNMENT--AND A RELATIONSHIP--I HAVE TAKEN THE FOLLOWING STEPS

IM: ((INTERPRETS))

DATA: WE SENT A JOINT LETTER TO THE U.S. AND A VERY CLEAR WORD THAT WE WANTED TO RELATE FREELY WITH YOU

IM: ((INTERPRETS))

DATA: BEYOND A DOUBT THEN, I HAVE BEEN IN TALKS WITH A MEMBER OF YOUR GOVERNMENT. I DO REMEMBER HIM THAT I WAS WHO I SAID I WAS. I WAS SPEAKING FOR THE PRESIDENT OF THE U.S. IN FEBRUARY I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TONS, AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

HAKIM: ((INTERPRETS))

CAME: ((IN PERSIAN)) AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TONS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: THE PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [REDACTED] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS)) [REDACTED] DIDN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY I NEED TO SHOW OUR GOOD FAITH AGAIN.

HAKIM: ((INTERPRETS))

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ORTH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT. THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS."

AKIN: ((INTERPRETS))

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ORTH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES

AKIN: ((INTERPRETS))

ORTH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

AKIN: ((INTERPRETS))

ORTH: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

AKIN: ((INTERPRETS))

ORTH: VERY, VERY PRIVATELY WITH THE KUWAITIS. LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT

AKIN: ((INTERPRETS))

ORTH: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DAWA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM.

AKIN: ((INTERPRETS))

AKIN: IN RESPONSE, AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS TO BE BASED ON OUR VALUES

ORTH: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS

AKIN: ((INTERPRETS))

ORTH: YOU AND I BOTH KNOW THAT THE KUWAITIS REALLY WANT IN ORDER TO RELEASE THEIR PRISONERS

AKIN: ((INTERPRETS))

ORTH: AND IT'S VERY SIMPLE. THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEONE WE CAN TRUST, SOMEONE IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME, THAT I CAN DON'T BE ANY MORE ATTACKING ON THE BASIS OF THE DAWA

ORTH: ((INTERPRETS))

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NORTH: I UNDERSTAND THAT THOSE IN THE LEBANON WHO HOLD OUR AMERICANS AND MANY OF THE OTHER WESTERNERS, ARE LOOKING FOR THAT RELEASE AND HAVE ASKED YOU TO ASSURE IT.

HAKIM: ((INTERPRETS))

NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

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HAKIM: ((INTERPRETS))

NORTH: WHAT I AM SAYING TO YOU IS THAT OUR INTERESTS ARE SO BIG, SO GREAT, AND YET THE REALITY WITHIN OUR SYSTEM IS SUCH THAT WE CANNOT ACT IN A WAY THAT THE AMERICAN PEOPLE WOULDN'T UNDERSTAND.

HAKIM: ((INTERPRETS))

NORTH: WHAT WE HAVE DONE IS TRY TO ACT IN A RESPONSIBLE WAY BUT VERY, VERY, DISCREETLY.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE TRIED TO REASSURE YOU THAT OUR INTERESTS GO BEYOND THE HOSTAGES, THAT OUR OBJECTIVE IS TO ASSURE THE POLITICAL SOVEREIGNTY AND TERRITORIAL INTEGRITY OF IRAN.

((END OF SIDE A))

((PORTION OF CONVERSATION MISSED IN FLIPPING TAPE))

NORTH: TO DEMONSTRATE OUR SINCERITY IN A NUMBER OF WAYS TO YOUR GOVERNMENT.

HAKIM: ((INTERPRETS))

NORTH: AND TO TAKE THOSE STEPS VERY, VERY, VERY DISCREETLY WITH KUWAIT AND OTHERS THAT GIVES YOU BETTER FREEDOM OF ACTION REGARDING KUWAIT, FOR EXAMPLE.

HAKIM: ((INTERPRETS))

ORTH: WE ARE PREPARED TO DO MORE. WE ARE PREPARED RIGHT NOW TO LAY OUT BEFORE YOU VERY, VERY SENSITIVE INTELLIGENCE. [REDACTED]
[REDACTED] THE FACT WE'RE HERE FOR IN WASHINGTON

HAKIM: ((INTERPRETS))

ORTH: TO OBTAIN THE [REDACTED] IN SUCH A WAY THAT WE WILL NOT BE KNOWN TO HAVE GIVEN THEM [REDACTED]

HAKIM: ((INTERPRETS))

ORTH: AND TO PROVIDE VERY, VERY, VERY ADDITIONAL DEFENSIVE EQUIPMENT I AM NOT GOING TO GET TO YOU. THE HOSTAGE ISSUE IS AN EXPLOSIVE OBSTACLE, LIKE A MINE IN THE ROAD.

HAKIM: ((INTERPRETS))

ORTH: IF ALL OF WHAT I AM SAYING AND PLAN TO DO BECOMES KNOWN [REDACTED]
[REDACTED] IT IS IMPORTANT THAT WE HAVE THAT [REDACTED]

HAKIM: ((INTERPRETS))

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF. THAT I THINK THAT WE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES; AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECORD: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((INTERESTS)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ... GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY.

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECORD: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE HES AND THING WERE BEHIND US, AND I THINK WE HAVE ACTED TOGETHER ALREADY-- TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES AND HAVE THESE THINGS. YOU SEE WE HAVE STORED THEM IN THE PAST FROM SHIPPING THEM TO YOU. WHEN WE FOUND OUT THAT THEY WERE PROHIBITED BECAUSE OF ARMS DEALERS LIKE CHORGANIPAR, WE STORED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM. LET ME GIVE YOU AN EXAMPLE. MR. GREGORIAN AND MR. [REDACTED] ARE BUYING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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NORTH: WE CAN GO TO OTHER COUNTRIES AND GET WEAPONS WHICH ARE AVAILABLE FROM OTHER COUNTRIES AND WE CAN LET THEM GO AND LET THEM ALLOW IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE

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HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY ARE PREPARED.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH: YES, AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ?THAT COMPLICATES IT??

NORTH: I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [REDACTED]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [REDACTED] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[REDACTED] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

HAKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. (LAUGHTER)

HAKIM: DOES ANYONE KNOW WHERE [REDACTED] IS?

NORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

HAKIM: (LAUGHS) [REDACTED] WHERE [REDACTED] IS? HE KNOWS WHERE HE IS

AVE. [REDACTED] (LAUGHTER) WHAT'S HER NAME? (LAUGHTER)

NORTH: WHAT IS IMPORTANT, AND IT IS ECONOMICALLY DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT ON OUR SIDE.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT HE OUGHT TO ACT IN A RESPONSIBLE WAY AND HE WITNESSES, BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH LET ME MAKE JUST ONE LAST POINT, AND THEN IT'S YOUR TURN. C 382
IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF

AKIM: ((INTERPRETS))

([REDACTED] ARRIVES)

ORTH RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[REDACTED] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 HE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH: HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE, IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM: ((INTERPRETS))

ORTH: THAT'S WHY HE SELECTED THE VERSE HE DID FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH: IT ISN'T A SHORT-TERM THING JUST HE INT. REFLECTED OR TO SOLVE SOME IMMEDIATE PROBLEM, AND THEN FORGOT ABOUT IT. HE REALLY HAS A LONG-TERM VISION.

AKIM: ((INTERPRETS))

ORTH: HE KNOWS THAT ISRAELI HUMANITY IS A CREATION.

AKIM: DO YOU WANT ME TO TRANSLATE THAT?

ORTH: GO AHEAD. THAT'S HIS WORD, NOT MINE.

[REDACTED] SPEAKING ABOUT THE PEOPLE.

ORTH: THIS INFORMATION WAS OBTAINED FROM A SOURCE WHO HAS NEVER GIVEN TO ANYBODY ELSE. THIS CERTAINLY IS NOT A SOURCE FOR WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

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CAVE: ((INTERPRETS))

NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [REDACTED] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [REDACTED]

CAVE: ((INTERPRETS))

NORTH: OKAY. LAST POINT. AND THEN SAM GIVES THE INTELLIGENCE. WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [REDACTED]

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Chapter 14

Footnotes 170-172

174, 184, 185, 187

176, 189

13 November 1986

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MEMORANDUM FOR THE RECORD

SUBJECT: Status of Frankfurt Meeting Tapes

TO: Charles Allen, NIO for Counterterrorism

1. The transcripts for tapes 12 and 13, of the total of 16 received, are attached.
2. The remaining segments of the transcription will be forwarded upon completion.



14-187+189

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Partially Declassified by NSA on 04-21-63
 under provision E.O. 12065
 by R. North, National Security Council

(TAPE 12)

((TAPE BEGINS WITH HAKIM AND [REDACTED] TALKING QUIETLY TOGETHER AT TIMES, EVEN WHISPERING. ONLY A FEW PHRASES COULD BE HEARD AT ONE POINT HAKIM SAYS, "THESE PEOPLE THINK THAT THEY ARE TALKING WITH ONE INTEGRATED GROUP, SO THAT IF YOU SAID ANYTHING IN FRONT OF [REDACTED] WHEN HE WAS THERE, THEY DON'T HAVE TO REPEAT IT ALL TO YOU THE NEXT TIME." THEN U.S. PARTIES ENTER THE ROOM AND SEVERAL CONVERSATIONS ARE TAKING PLACE SIMULTANEOUSLY. THEN TALKS RESUME.))

ECCRD: BEFORE YOU GO TO THIS POINT, MAY I ADDRESS THIS LIST? I'M GOING TO ADDRESS THIS LIST. THERE ARE SOME TERRIFIC PRACTICAL PROBLEMS HERE. THERE ARE A COUPLE OF REAL, AS OPPOSED TO PHILOSOPHICAL, PROBLEMS WITH THIS LIST.

AKIM: ((INTERPRETS))

ECCRD: THE FIRST IS POLITICAL.

(([REDACTED] LEAVES THE ROOM AT THIS POINT "TO GO TO BATHROOM" AND U.S. NEGOTIATORS DISCUSS STRATEGY WITH HAKIM. PROBLEMS WITH ITEMS ON IRANIAN SHOPPING LIST. THEN [REDACTED] COMES BACK IN THE ROOM.))

ECCRD: THE FIRST PROBLEM IS POLITICAL. BASED UPON PREVIOUS OFFICIAL REQUESTS OF THE IRANIAN GOVERNMENT, I E. [REDACTED] AND VERIFIED, AND I WOULD UNDERLINE, DESPERATE REQUESTS FROM HIM, FOR TONS OF HAWK PARTS AND FOR HIGH POWERED RADARS. WE HAVE ACHIEVED PRESIDENTIAL AUTHORITY FOR IMMEDIATE AIR DELIVERY OF THOSE ITEMS.

AKIM: ((INTERPRETS))

ECCRD: [REDACTED] CAN DENY THIS OR NOT DENY THIS. IT IS IRRELEVANT. WE HAVE DOCUMENTARY PROOF. IT'S NOT EVEN WORTH DISCUSSING.

AKIM: ((INTERPRETS))

ECCRD: AND THE PRESIDENT OF THE U.S. HAS APPROVED A SECRET OPERATION TO DELIVER THESE ITEMS IMMEDIATELY, AND WE WOULD HAVE ALREADY DELIVERED THEM EXCEPT THAT WE WERE ASKED TO HOLD UP SO THAT WE COULD HAVE THESE HIGHER LEVEL DISCUSSIONS.

AKIM: ((INTERPRETS))

ECCRD: WHICH SEEMS REASONABLE TO US, AND GOOD BECAUSE WE WANTED TO HAVE A MORE RELAXED, NATIONAL SYSTEM FOR DISCUSSIONS.

AKIM: ((INTERPRETS))

ECCRD: WE ALSO, I HOPE, WOULD LIKE TO [REDACTED] IN WASHINGTON THAT WE DON'T REGARD THESE ITEMS BY THEMSELVES AS BEING PARTICULARLY DIFFICULT TO ACQUIRE-- SOME OF THE LARGE NUMBERS, FOR INSTANCE, 10 THOUSAND U.S. SOURCES COULD FIND A LONG TIME.

AKIM: ((INTERPRETS))

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ECCRD: AND IF YOU TELL US THAT WHEN WE DELIVER THESE FIRST AIRPLANE LOADS THAT OUR HOSTAGES ARE GOING TO BE RELEASED, WE WILL START PRICING THESE AND GOING FOR POLITICAL AUTHORITY, AND GETTING ((FEW WORDS MISSED)), BUT WE CAN'T DARE GO OUT AND START DOING SOMETHING LIKE THIS UNTIL WE HAVE THE POLITICAL SUCCESS BEHIND US.

AKIM: ((INTERPRETS, BUT HIS INTERPRETATION DIFFERS SOMEWHAT. HE SAID, IN PERSIAN)) THIS IS STILL PART OF THE POLITICAL PROBLEM. HE SAYS THAT WHEN WE ARE SURE THAT THE MATTER OF THE HOSTAGES HAS BEEN RESOLVED AND WE HAVE PUT THIS PROBLEM BEHIND US, ((INTERPRETED BY KNOCK ON DOOR))

ECCRD: WE WOULD LOSE OUR SECRECY.

WHEN YOU SAY THE ITEMS ARE NOT DIFFICULT TO OBTAIN. ((FEW WORDS MISSED))

AKIM: ((IN PERSIAN)) IF YOU LOOK AT THESE ITEMS INDIVIDUALLY, IT IS NOT DIFFICULT TO OBTAIN THEM, BUT JUST TO TAKE THE FIRST STEP, TO ((FEW WORDS UNCLEAR)) ETC. IT IS NECESSARY TO ELIMINATE THIS POLITICAL PROBLEM. WE DO NOT DARE TO START STIR THINGS UP BY GETTING PRICES, ETC. ((THEN, IN ENGLISH TO THE U.S. SIDE)) IF I MAY, AT THIS TIME, I FIND IT APPROPRIATE TO EXPLAIN TO HIM WHY THIS IS DIFFICULT TO START WITHOUT POLITICAL SUPPORT AND ADD WHAT YOU TOLD ME EARLIER.

NORTH: LET ME, OKAY? EVERYTHING THAT THE GENERAL SAID IS ENTIRELY ACCURATE. WHEN WE LOOKED AT THIS LIST, WE ESTIMATED THAT, EXCLUDING THESE TWO ITEMS, THE HAWK AND THE TOWS, WE ARE LOOKING AT A MINIMUM OF FOUR SHIPLOADS OF EQUIPMENT.

AKIM: ((INTERPRETS))

ORTH: THOUSANDS OF PEOPLE IN THE U.S. AT A MINIMUM, WOULD KNOW ABOUT THAT.

AKIM: ((INTERPRETS))

NORTH: IF WE ARE GOING TO DO SOMETHING LIKE THIS, IT HAS TO BE VERY CLEAR THAT WE ARE DOING THIS BECAUSE WE ARE WORKING FOR A MILITARY BALANCE IN THE REGION AND A POLITICAL SOLUTION, AND HONORABLE SOLUTION TO THE IRAN-IRAG WAR.

AKIM: ((INTERPRETS)) (BUT SAYS "THE WORLD MUST UNDERSTAND THAT WE ARE EMPLOYING ON A COURSE TO CREATE A BALANCE OF POWER THAT MUST BE THE UNDERSTANDING THAT THE WORLD HAS")

ORTH: IN ORDER FOR US TO BE SEEN AS TAKING A POLITICAL ROLE IN ACHIEVING A BALANCE IN THE MILITARY SITUATION, OUR JUSTIFICATION FOR THAT, WE MUST BE ABLE TO TELL OTHER PEOPLE, TO INCLUDE OUR OWN PEOPLE, THAT WE ARE CARRYING ON A DIALOGUE WITH THE GOVERNMENT OF IRAN

AKIM: ((INTERPRETS))

NORTH: IN ORDER FOR US TO CARRY ON A DIALOGUE WITH THE GOVERNMENT OF IRAN THAT IS POLITICALLY ACCEPTABLE TO OUR PEOPLE, WE MUST HAVE TAKEN THAT ROCK IN THE ROAD, THAT OBSTACLE, AND PUT IT BEHIND US

AKIM: ((INTERPRETS)) IT SPELLS OUT FOR THE IRANIANS THAT THE "ROCK IN THE ROAD" IS A REFERENCE TO THE HOSTAGES

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05TH: THAT SATURDAY WHEN [REDACTED] WAS IN WASHINGTON, AND I FLEW UP TO CAMP DAVID TO TALK TO THE PRESIDENT, AND I SHOWED HIM THE LIST, AND HE SAID, "WHY ARE YOU THINKING SO SMALL?"

AKIM: ((INTERPRETS))

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05TH: HE TOOK THE LIST, THAT LIST RIGHT THERE, AND HE WENT LIKE THIS WITH IT--I WAS SITTING ACROSS THE TABLE--AND HE SAID, "FOR SOMEONE WHO HAS SEEN SO MUCH WAR AS YOU HAVE, NORTH, YOU SHOULD UNDERSTAND THAT I WANT TO END THAT WAR ON TERMS THAT ARE ACCEPTABLE TO IRAN."

AKIM: ((INTERPRETS))

05TH: "... I DON'T WANT TO SIMPLY HELP GO OUT AND KILL MORE IRANIAN YOUNGSTERS. WHAT ABOUT THE 2 MILLION PEOPLE WITHOUT HOMES? WHAT ABOUT THE OIL INDUSTRY WHICH IS ALREADY IN RUINS? WHAT ABOUT THE INDUSTRIAL BASE OF IPAN WHICH IS BEING DESTROYED? STOP COMING IN AND LOOKING LIKE A GUN MERCHANT." AND HE BANGED ON THE TABLE. "I WANT TO END THE WAR."

AKIM: ((INTERPRETS))

05TH: AND EVERYTIME WE GET TO THE POINT WHERE WE CAN ACT IN THAT REGARD, WE FIND THIS OBSTACLE SITTING IN THE MIDDLE OF THE ROAD.

AKIM: ((INTERPRETS)) ((ASKS FOR PERMISSION FROM THE U.S. NEGOTIATORS TO TALK WITH [REDACTED] ABOUT THE ROLE HE IS PLAYING IN THIS))

AVE: ((INTERPRETS--WHAT-AKIM-IS SAYING TO [REDACTED] FROM THE FIRST DAY, AND IT WASN'T BASED ON YOUR OPINION OR MY OPINION, BUT THE FIRST THING THAT WE HAVE GOT TO GET RID OF IS THE HOSTAGE THING. AFTER A DAY AND A HALF, LOOK WHERE WE ARE.

AKIM: ((INTERPRETS)) I THINK LIKE YOU DO IN THE EVALUATION OF THIS SUBJECT AND ITS SOLUTION.

AKIM: ((INTERPRETS)) AND I ALSO UNDERSTAND THAT THE MAIN PROBLEM IS WHAT YOU JUST DISCOVERED.

AKIM: ((INTERPRETS)) BUT HOW CAN I DEFEAT THE PRESTIGE AND HONOR OF MY COUNTRY WHILE I AM NOT CONVINCED THAT I HAVE SOMETHING IN HAND?

AKIM: ((INTERPRETS)) I SHOULD BE IN A POSITION WHEN I GO BACK AND TELL THE LEADERS OF IRAN THAT I WANT YOU TO PUT AT STAKE YOUR HONOR IN TRADE FOR THIS WHICH IS THE HONOR OF THE U.S.

AKIM: ((INTERPRETS)) ADD TO THIS THE PROBLEMS THAT WE HAVE IN LEBANON

I WANT TO TELL YOU THAT IF THREE HOSTAGES WERE IN OUR POSSESSION, LIKE THE MATTER OF THE AMERICAN HOSTAGES IN ITALY, A FEW WORDS

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(MISSED)) WE WOULD HAVE RESOLVED IT.

MAXIM ((INTERPRETS)) HE WANTS YOU TO KNOW THAT IF THEY ACTUALLY HAD THEIR HANDS ON THE HOSTAGES IN IRAN ((SIC)) THIS SHOULD HAVE BEEN RESOLVED THE SAME DAY THAT THE OTHER HOSTAGES WERE RELEASED.

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MAXIM ((INTERPRETS)) AND I WANT YOU TO KNOW THAT EVEN TODAY, AS I'M SITTING HERE, WE DO NOT HAVE A GUARANTEE THAT THE LEBANESE WOULD 100 PERCENT LISTEN TO WHAT WE HAVE TO SAY.

MAXIM ((INTERPRETS)) WE MUST PUT AT STAKE THE SUBSTANCE THAT WOULD BE EQUAL WITH OUR EXISTENCE.

MAXIM ((INTERPRETS)) AND YOU KNOW THAT EVEN UP TO THIS DATE, IN CONNECTION WITH THE TEHRAN HOSTAGES WE ARE STILL ((FEW WORDS MISSED)) IN A MESS.

MAXIM ((INTERPRETS)) THEREFORE, PLEASE UNDERSTAND MY PROBLEM. I CANNOT GO TO IRAN AND SAY FORGET ABOUT THE 500-MILLION DOLLARS IN THE HAGUE ISSUE, AND I DO NOT EXPECT IN THIS MEETING TO RESOLVE THAT.

MAXIM ((INTERPRETS)) AND HE IS BEING CONTINUOUSLY REMINDED THAT IN A CASE THAT THERE WERE NO OTHER PARTIES INVOLVED, IF IT WAS ONLY IRAN AND THE U.S., THIS ((FEW WORDS MISSED)) STILL BE A MESS IN THE HAGUE HOW THE SITUATION WOULD BE IF THERE WERE OTHER ELEMENTS INVOLVED

MAXIM ((INTERPRETS)) WE MUST UNDERSTAND WHAT MY ROLE IS. I HAVE TO GAIN THE IRANIAN CONFIDENCE AND THE LEBANESE CONFIDENCE.

MAXIM ((INTERPRETS)) PLEASE SHOW ME THE WAY.

ORTH LET ME GIVE YOU SOME APPRECIATION FOR THE POINTS. FIRST OF ALL, WE HAVE ALREADY IN AN EFFORT TO SHOW THAT WE ARE SINCERE AND THAT WE REALLY DO WANT TO HAVE CO-OPERATION WITH YOUR GOVERNMENT--AND A RELATIONSHIP--WE HAVE TAKEN THE FOLLOWING STEPS:

MAXIM ((INTERPRETS))

ORTH WE SENT A POLICE MINISTER AND AN AMBASSADOR [REDACTED] A VERY CLEAR WORD THAT WE WANTED TO TALK DIRECTLY WITH YOU.

MAXIM ((INTERPRETS))

ORTH SECOND, IN ORDER TO MAKE SURE WE HAVE BEEN IN CONTACT WITH A MEMBER OF YOUR GOVERNMENT [REDACTED] TO ASK HIM THAT I WAS WHO I SAID I WAS, I WAS ASKING FOR THE PRESENT OF THE U.S. IN FEBRUARY, I

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SAT IN HIS ROOM IN THIS CITY, PICKED UP THE PHONE, AND ORDERED THE DELIVERY OF 500 TOWS. AND 8 HOURS LATER, THEY ARRIVED AT BANDAR ABBAS.

HAKIM: ((INTERPRETS))

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CAME: ((IN PERSIAN)) AND I WAS THREE AND A HALF MILLION DOLLARS IN DEBT TO OUR GOVERNMENT.

NORTH: SINCE THEN, WE HAVE SHIPPED A 1000 MORE TOWS.

HAKIM: ((INTERPRETS))

NORTH: WE DELIVERED ALL OF THE HAWK PARTS THAT HAVE BEEN REQUESTED THAT WE HAD ON HAND.

HAKIM: ((INTERPRETS))

NORTH: THE PRESIDENT SENT TO TEHRAN ONE OF HIS MOST TRUSTED ADVISORS. WHEN [REDACTED] WAS IN WASHINGTON, HE ASKED FOR A FURTHER SIGN THAT HE COULD TAKE BACK HOME ABOUT OUR SINCERITY.

HAKIM: ((INTERPRETS))

NORTH: HE MENTIONED TWO THINGS SPECIFICALLY. THE VOICE OF AMERICA AND THE HAGUE. THE FOLLOWING FRIDAY, THE EXACT WORDS I TOLD HIM WERE BROADCAST OVER VOICE OF AMERICA.

HAKIM: ((INTERPRETS))

NORTH: WORDS THAT HE AND I HAD AGREED ON. AND, SINCE THEN, TWO BIG CASES IN THE HAGUE HAVE BEEN SETTLED.

HAKIM: ((INTERPRETS))

NORTH: NOW IF YOU THINK THAT LIST OF WEAPONS IS A BIG PROBLEM, YOU OUGHT TO TRY THE HAGUE. OKAY? THAT'S A DIFFICULT PROBLEM. THE CLAIMS TRIBUNAL IS AN EVEN MORE DIFFICULT ISSUE TO WORK THAN THIS.

HAKIM: ((INTERPRETS)) [REDACTED] DIDN'T SEEM TO KNOW WHAT THE CLAIMS TRIBUNAL IS.

NORTH: THAT IS BECAUSE MOST OF THE CASES IN THE HAGUE ARE PRIVATE COMPANIES WHO HAVE A COURT CASE INVOLVING THE GOVERNMENT OF IRAN.

HAKIM: ((INTERPRETS))

NORTH: THERE IS RELATIVELY LITTLE U.S. GOVERNMENT INVOLVEMENT IN THAT ACTIVITY.

HAKIM: ((INTERPRETS))

NORTH: I SAY THESE THINGS TO YOU BECAUSE, QUITE FRANKLY, WHEN I GO BACK HOME I HAVE THE SAME PROBLEM YOU DO.

HAKIM: ((INTERPRETS))

NORTH: I GO BACK HOME AND I SAY TO THE PRESS TO SHOW OUR GOOD FAITH AGAIN.

HAKIM: ((INTERPRETS))

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05TH: WHEN I GO BACK AND I SAY, "WELL, ALL WE NEED TO DO IS TO PROVE OUR GOOD FAITH AND IRAN WILL TAKE WHAT WE KNOW TO BE A VERY, VERY DIFFICULT STEP IN THE LEBANON--WE UNDERSTAND THAT THAT IT IS NOT IRAN WHO HOLDS THE AMERICANS."

44IN: ((INTERPRETS))

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05TH: AND THE WAY I PUT IT TO THE PRESIDENT AND TO HIS CLOSEST ADVISORS IS THAT WE ARE HOPING THAT IRAN WILL USE ITS INFLUENCE WITH THOSE IN THE LEBANON TO CAUSE THE RELEASE OF THE AMERICANS AND THE OTHER HOSTAGES

44IN: ((INTERPRETS))

05TH: I HAVE EXPLAINED THAT THAT IS INDEED A VERY DIFFICULT STEP FOR IRAN TO TAKE.

44IN: ((INTERPRETS))

05TH: WE RECOGNIZE THAT THOSE WHO HOLD THE HOSTAGES MOST WANT THEIR BRETHREN WHO ARE HELD IN KUWAIT AS CONVICTED TERRORISTS FREED.

44IN: ((INTERPRETS))

05TH: VERY, VERY PRIVATELY WITH THE KUWAITIS. LAST FRIDAY, WE HELPED TO TRY AND SET THE STAGE FOR THAT KIND OF THING TO HAPPEN IN A DIRECT DIALOGUE BETWEEN IRAN AND KUWAIT

44IN: ((INTERPRETS))

05TH: WE HAVE ASSURED THE KUWAITIS--A VERY, VERY EXPERIENCED FOREIGN MINISTER--THAT THE DANA PRISONERS ARE THEIR BUSINESS. BUT YOU SHOULD KNOW, VERY, VERY PRIVATELY, THAT WHAT THAT MEANS IS THAT IF THE KUWAITIS DECIDE TO RELEASE THEM OVER SOME LENGTH OF TIME OR FOR SOME RELIGIOUS REASON, THAT WE ARE NOT GOING TO CRITICIZE THEM

44IN: ((INTERPRETS))

44E: IN KUWAIT, AND THIS IS A VERY IMPORTANT DECISION THAT OUR COUNTRY HAS BASED ON OUR WORDS

05TH: NOW, YOU AND I BOTH KNOW THAT THERE ARE RELIGIOUS OCCASIONS THAT CAN BE USED TO RELEASE PRISONERS

44IN: ((INTERPRETS))

05TH: YOU AND I BOTH KNOW THAT THE KUWAITIS REALLY WANT IN LATER TO RELEASE THE AMERICANS

44IN: ((INTERPRETS))

05TH: AND THE KUWAITIS ARE LOOKING FOR ASSURANCE FROM SOMEONE RESPONSIBLE, SOMEBODY IN AUTHORITY, THAT IF THEY RELEASE THESE PRISONERS OVER A PERIOD OF TIME, THAT THERE WON'T BE ANY MORE ATTACKS IN THE FUTURE OF THE GULF

05TH: ((INTERPRETS))

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NORTH: AND THAT PUTS YOU IN A DIFFICULT POSITION.

AKIN. (INTERPRETS).

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CAVE: I HAVE A POINT TO MAKE ABOUT THIS LIST THAT I DON'T KNOW IF THE GENERAL MADE THAT IS VERY IMPORTANT FROM MY RESPONSE FOR GETTING THIS STUFF. THAT I THINK THAT HE SHOULD BE AWARE OF THAT THE MATERIAL THAT WE HAVE SHIPPED, THE TOW MISSILES, ARE EXPENDABLES, AND THEY ARE EXPENDABLES IN THE NATURE OF WHICH THERE IS REGULAR MANUFACTURING LOTS PRODUCED BECAUSE THEY ARE IN SUCH WIDE USE, SO THAT IT IS VERY EASY FOR US TO OBTAIN THEM. I CAN GO DOWN THIS LIST AND POINT OUT TO HIM THAT THE PROBLEM WE HAVE WITH THE HOWITZERS IS THE TIME LAG THAT IT IS GOING TO TAKE, BECAUSE TO GET 500 BARRELS IF WE DO IT ALL FROM AMERICAN SOURCE, 100 TOWED HOWITZERS PLUS 500 BARRELS, THEY'RE GOING TO HAVE TO OPEN UP A PRODUCTION LINE.

SECOND: YOU WOULD UNDOUBTEDLY, AND WE SAID THIS IN WASHINGTON, LOOK AT THE WORLD-WIDE FRIENDLY ((INTERESTS)) AND VERY SELECTIVELY GO AND BUY THEM.

NORTH: ... GO TELL SOME ALLIED, SOME COUNTRY, THAT WE WILL LOOK THE OTHER WAY...

CAVE: BUT EVEN IN A SINGLE COUNTRY THEY WOULD HAVE TO OPEN A PRODUCTION LINE.

SECOND: WE MIGHT GO TO THIS COUNTRY, THAT COUNTRY, AND EITHER PROCURE THEM FOR THEM OR LOOK THE OTHER WAY AND LET THEM PROVIDE AT LEAST A PORTION OF THEM.

CAVE: ((SPEAKING NOW TO THE IRANIANS)) THE TOW MISSILES WERE VERY EASY FOR US BECAUSE THEY ARE EXPENDABLES OF WHICH WE MANUFACTURE A LOT. ((EXPLAINS THE ABOVE CONVERSATION))

HAKIM: ((INTERPRETS ALL THE ABOVE))

NORTH: LOOK, ALL OF THIS IS TO SAY THAT ALL OF THIS AND MORE CAN BE DONE, BUT WE NEED TO FIRE PROOF OUR PRESIDENT BY REMOVING THE OBSTACLE.

HAKIM: ((INTERPRETS))

NORTH: IF THAT WERE DONE, AND I THINK THAT WE HAVE BOTH ACTED TO SET THE STAGE FOR THAT TO HAPPEN--IF THE HIS ADD THING WERE BEHIND US, AND I THINK WE HAVE ENTER TOGETHER ALSO... TO SET THE STAGE FOR THAT TO HAPPEN.

HAKIM: ((INTERPRETS))

NORTH: WE CAN GO TO A NUMBER OF COUNTRIES WHO HAVE THESE THINGS. YOU SEE WE HAVE STOPPED THEM IN THE PAST FROM SHIPPING THEM TO YOU, WHEN WE FOUND OUT THAT THEY WERE BEHIND IT, BECAUSE OF ARMS DEALERS LIKE CHORBAKIPAR, WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: WE CAN STOP STOPPING THEM, LET ME GIVE YOU AN EXAMPLE. MR. SHEPHERD AND MR. [REDACTED] SHIPMENTING WEAPONS FROM OTHER PEOPLE BESIDES US. THERE ARE CERTAIN WEAPONS AND CERTAIN PARTS THAT THEY CAN ONLY GET FROM US.

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NORTH: WE CAN GO TO OTHER WEAPONS AND PARTS WHICH ARE AVAILABLE FROM OTHER COUNTRIES THAT WE CAN STOP STOPPING THEM FROM GETTING IT TO HAPPEN.

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HAKIM: ((INTERPRETS))

NORTH: FOR EXAMPLE...

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HAKIM: AND YOU ARE PREPARED TO DO SO? THAT'S WHAT YOU'RE TELLING US?

NORTH: WELL, IF CERTAIN THINGS HAPPEN FAVORABLY IN OUR DIRECTION, THEY WE ARE PREPARED.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) WHEN YOU SAY "CERTAIN THINGS TO HAPPEN IN OUR FAVOR" ARE YOU REFERRING TO THE HOSTAGES?

NORTH: YES, AND I'M NOT JUST TALKING ABOUT OUR HOSTAGES. I'M TALKING ABOUT THE WESTERN HOSTAGES.

HAKIM: ((INTERPRETS)) ((THEN, TO NORTH)) ??THAT COMPLICATES IT??

NORTH: I KNOW. I UNDERSTAND THAT. THIS IS A COMPLICATED ISSUE. THIS THING RIGHT HERE. LET ME GIVE YOU AN EXAMPLE. THIS PARTICULAR ITEM RIGHT HERE IS MADE IN [REDACTED]

HAKIM: ((INTERPRETS))

NORTH: BUT THERE ARE [REDACTED] WHO ARE MISSING IN BEIRUT. THEY ARE MISSING; THEY MAY BE DEAD FOR ALL I KNOW.

HAKIM: ((INTERPRETS))

[REDACTED] SINCE WHEN?

NORTH: I DON'T HAVE THAT WITH ME. I CAN FIND OUT.

HAKIM: ((INTERPRETS)) HE SAYS THAT HE IS HEARING IT FROM YOU FOR THE FIRST TIME; IT IS VERY POSSIBLE THAT YOU ARE KEEPING THEM AS HOSTAGES. (LAUGHTER)

HAKIM: DOES ANYONE KNOW WHERE [REDACTED] IS?

NORTH: NO. OUT FOR A WALK? WHERE DID HE GO? IS HE LYING DOWN?

HAKIM: (LAUGHS) [REDACTED] WHERE [REDACTED] IS? HE KNOWS WHERE HE IS

AVE. [REDACTED] IN A PERSON? WHAT'S HER NAME? (LAUGHTER)

NORTH: WHAT IS IMPORTANT, AND IT IS ECONOMICALLY DIFFICULT DUE TO THE WAY ALL OF THIS GOT STARTED, IS THAT WE ACT IN A RESPONSIBLE MANNER, BECAUSE TIME REALLY IS NOT IN OUR SIDE.

HAKIM: ((INTERPRETS))

HAKIM: ((INTERPRETS)) HE BELIEVES IN WHAT YOU SAY THAT WE OUGHT TO ACT IN A RESPONSIBLE MANNER AND WE HOSTAGES, BECAUSE HE BELIEVES IN THAT, TO GO

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AND LIST THE GOOD THINGS THAT THEY HAVE DONE FOR US.

ORTH: LET ME MAKE JUST ONE LAST POINT. AND THEN IT'S YOUR TURN. C 382
 IT IS ALSO IMPORTANT TO UNDERSTAND THAT OUR APPROACH IS NOT THAT OF

AKIM: ((INTERPRETS))

(([REDACTED] ARRIVES))

ORTH: RONALD REAGAN IS GOING TO BE PRESIDENT OF THE U.S. FOR TWO MORE YEARS AND WILL NEVER AGAIN SERVE AS PRESIDENT.

AKIM: ((INTERPRETS))

[REDACTED] THERE IS MCFARLANE.

ORTH: HE WANTS TO BE PRESIDENT?

AKIM: ((INTERPRETS)) THEY ARE VERY ACTIVE IN TRYING TO MAKE MCFARLANE PRESIDENT ((LAUGHTER))

ORTH: THAT'S NOT BEYOND REASON. IT COULD HAPPEN. ((CONTINUES WITH PREVIOUS THOUGHT)) THIS PRESIDENT WOULD LIKE TO HAVE--I CAN TELL YOU BECAUSE I'VE LISTENED TO HIM--HIS VISION IS THAT WHEN HE LEAVES OFFICE IN 1989 HE WILL HAVE FULL DIPLOMATIC RELATIONS BETWEEN YOUR COUNTRY AND OURS.

AKIM: ((INTERPRETS))

ORTH: HE WOULD LIKE TO BE REMEMBERED AS A MAN WHO HELPED TO BRING PEACE. IF YOU WILL, TO THE CHRISTIAN AND MOSLEM AND JEWISH PEOPLE IN THIS WORLD.

AKIM: ((INTERPRETS))

ORTH: THAT'S WHY HE BELIEVED IN THE VERSE HE DID FROM OUR HOLY BOOK.

AKIM: ((INTERPRETS))

ORTH: IT ISN'T A LONG-TERM THING JUST TO GET REELECTED OR TO SOLVE SOME IMMEDIATE PROBLEM. AND THEN FORGET ABOUT IT. HE REALLY HAS A LONG-TERM VISION.

AKIM: ((INTERPRETS))

ORTH: HE KNOWS THAT JUDAH HADIN IS A CHRISTIANITY.

AKIM: ORTH, CAN HE TRANSLATE THAT?

ORTH: GO AHEAD. THAT'S HIS WORD. NOT MINE.

[REDACTED] PICKING UP THE AGG.

AKIM: ((INTERPRETS)) WE TAKE ALL THE TIME YOU HAVE GIVEN TO ANSWER US. THIS DETAIL AND OTHER WAR WITH A COUNTRY WITH WHOM

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WE HAVE DIPLOMATIC RELATIONS

CAVE: ((INTERPRETS))

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NORTH: IF IT BECAME KNOWN WHAT WE ARE GIVING YOU... WHAT WE ARE GIVING YOU SHOWS SOME SIGNIFICANT VULNERABILITIES ON THEIR PART.

CAVE: ((INTERPRETS))

NORTH: IF IT EVER BECAME KNOWN WE HAVE DONE THIS, WE WOULD BE FINISHED IN TERMS OF CREDIBILITY AS LONG AS PRESIDENT REAGAN IS PRESIDENT.

CAVE: ((INTERPRETS))

NORTH: THIS IS EXACTLY WHAT [REDACTED] ASKED FOR WHEN HE WAS IN WASHINGTON.

CAVE: ((INTERPRETS))

NORTH: THE ONLY DIFFERENCE IS THAT WE DON'T HAVE IT ON A [REDACTED]

CAVE: ((INTERPRETS))

NORTH: OKAY, LAST POINT, AND THEN SAM GIVES THE INTELLIGENCE, WE KNOW THAT WE ARE ((WORD MISSED)) WHO KNOWS WHAT [REDACTED]

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HAKIM ((INTERPRETING)) U.S. WILL PROVIDE THE [REDACTED] INFORMATION AN
[REDACTED] IRAN NEEDS. AND BY PAYING FOR 1500 TOWS BY IRAN. THE 150
TOWS WILL BE DELIVERED BY THE U.S.

NORTH OKAY. TWO PARTIES WILL ESTABLISH A PLACE, A PLAN, AND A
TIMETABLE FOR EXCHANGING INFORMATION AND INTELLIGENCE. ESTABLISH A
LOCATION IN WHICH WE CAN EXCHANGE INFORMATION ON [REDACTED]
[REDACTED] WE WILL PROVIDE [REDACTED] INFORMATION BASED
ON [REDACTED] INTELLIGENCE AND WE WILL DELIVER 1500 TOWS WHICH WILL
BE PAID FOR BY THE ISLAMIC REVOLUTIONARY GOVERNMENT OF IRAN.

HAKIM CORRECT

NORTH IN ADVANCE HOW DO YOU SAY "IN ADVANCE?"

14-193-198

CAVE WE SAY "IT" BECAUSE ((WORD MISSED)) DOESN'T HAVE ENOUGH MONEY TO
PAY FOR IT.

NORTH I CAN'T DO IT.

HAKIM THEY KNOW THAT THEY KNOW MORE THAN YOU THINK THEY KNOW
THEY KNOW EXACTLY WHERE YOU ARE. WHAT YOU WANT. WHAT YOU HAVE TO
DO. BELIEVE ME AND JUST WE HAVE TO PUT AN IRANIAN TOWS INTO IT
TO GET IT THERE.

NORTH FOUR

14 / 193-98

HAKIM I HOPE YOU WILL NOT GET INTO DISCUSSING THIS NEXT ISSUE. OKAY.

NORTH I'M JUST TAKING NOTES.

HAKIM OKAY. I APPRECIATE THAT. BECAUSE I KNOW YOU ARE GOING TO GO THERE.
THE ROOF AGAIN. ((INTERPRETING)) FOUR. IRAN WILL INFLUENCE THE
LEBANESE AND IN DOING SO WILL PROMISE. AND HE WANTS TO UNDERSTAND
"ONLY PROMISE." IN CONNECTION WITH THE RELEASE OF THE PRISONERS IN
KUWAIT. THIS PROMISE IN FACT WILL BE BASED ON YOUR PROMISE ON
BEHALF OF KUWAIT TO THE GOVERNMENT OF IRAN AND IN GIVING THIS
PROMISE. THE REMAINING TWO HOSTAGES WILL BE RELEASED.

NORTH OKAY. THE GOVERNMENT OF IRAN WILL EXERCISE ITS INFLUENCE WITH
THE LEBANESE AND PROMISE THE LEBANESE THAT WE WILL USE OUR
INFLUENCE WITH THE KUWAITIS REGARDING THE DANA CONVICTS.

HAKIM THEY WILL PROMISE THE LEBANESE YOU HAVE TO PROMISE THEM. THEY
WILL NOT TELL THE LEBANESE THAT YOU HAVE PROMISED THEM. IT WILL
REMAIN BETWEEN THEM. ON BEHALF OF KUWAIT YOU WILL PROMISE--THE
UNITED STATES WILL PROMISE IRAN ON BEHALF OF KUWAITIS--
THAT THESE PRISONERS WILL BE RELEASED. THE BASE ((WORD MISSED)) FOUR
SEE WHEN I SAW THAT YOU DIDN'T GO THROUGH THE ROOF. I ASKED YOU
DIDN'T UNDERSTAND IT. OKAY ((LAUGHES)).

CAVE WHAT [REDACTED] IS SAYING IS THAT WHEN WE WERE TALKING ABOUT PROMISE
WE'RE TALKING ABOUT PROMISE IN THE POLITICAL SENSE BETWEEN
POLITICIANS.

HAKIM THAT'S WHAT I AM TRYING TO PUT ACROSS. THAT'S WHY I ASKED HIM.

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under provisions of E.O. 12958
of B. Roger, National Security Council

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"PLEASE DON'T GO THROUGH THE ROOF. O.KAY. TAKE THE NOTES DOWN (LONG PAUSE) NOW, IN PARENTHESES, THIS PROMISE THAT'S NOT (WORD MISSED) THE NOTES--THEY FULLY UNDERSTAND OUR POSITION, VERY WELL AND BEYOND ANY SHADOW OF A DOUBT. WE MUST FIND A POLITICAL WAY OF DEFINING THE WORD 'PROMISE' WHAT THAT MEANS. OK."

NORTH I UNDERSTAND.

HAKIM UP TO HERE THE HOSTAGES ARE RELEASED

NORTH WELL, I ONLY COUNT THREE

HAKIM BUT THEY ARE GOING TO EXPLAIN. IF THERE IS TIME, THAT WHAT IS HAPPENING TO THE OTHER TWO AND BASICALLY IT MEANS THAT TO THIS DATE THEY HAVE NOT BEEN BROUGHT TO WHERE THEY HAVE INFLUENCE. THE ONLY THING THEY KNOW IS THEY ARE HEALTHY AND WE HAVE TO GO TO THE NEXT PHASE OF THEM

HAKIM (INTERPRETING) HE WANTS YOU TO MAKE THE NOTE THAT THERE ARE OTHER HOSTAGES FROM OTHER COUNTRIES AND HE WANTS YOU TO RECOGNIZE THEY ARE AN INDEPENDENT COUNTRY, SO ARE THE COUNTRIES THAT HAVE THE HOSTAGES IN LEBANON AND TO RESOLVE THOSE, LIKE THEY ARE DOING IT WITH THE U.S. HAS TO BE ONE TO ONE. ON A BASIS OF ONE TO ONE TO RESOLVE THE ISSUE OF THE OTHER HOSTAGES

NORTH LET ME MAKE A PARENTHEtical RESPONSE TO THAT. THIS IS IMPORTANT WHAT [REDACTED] HAS SAID IS HE FEELS THAT THE ISSUE OF THE OTHER WESTERN HOSTAGES IN LEBANON IS BASICALLY A BILATERAL ISSUE FOR THOSE OTHER COUNTRIES TO DEAL WITH DIRECTLY. I SIMPLY WANT TO MAKE THE POINT THAT IT IS IMPORTANT IN THE BROAD SENSE IT WHAT WE ARE TRYING TO DO REGARDING SACCOBY HUSBYN AND IN THE CASE OF OTHERS THAT WE BE ABLE TO CONVINCE OTHER COUNTRIES [REDACTED] BUT OTHER EUROPEAN COUNTRIES THAT SUPPORT FOR IRAQ IS NOT IN THEIR INTEREST. IN OTHER WORDS, I AM TALKING ABOUT SOMETHING VERY, VERY BIG HERE. A FUNDAMENTAL PERCEPTUAL CHANGE IN THE WORLD TOWARD THE ISLAMIC REVOLUTIONARY GOVERNMENT.

CAVE. THE PRESIDENT CONSIDERS HOSTAGES. PERIOD

HAKIM INTERPRETS (ADDS THAT THE U.S. VIEWS THE ISSUE OF ALL HOSTAGES AS A HUMANITARIAN ISSUE RATHER THAN AS AN ISSUE BETWEEN TWO COUNTRIES)

HAKIM (INTERPRETING) FILE THE LIST THAT WAS-- IT IS IN CONNECTION WITH THE LIST THAT WAS GIVEN TO [REDACTED] WE HAVE TO GET A NAME FOR THIS-- THE LIST OF 6 ITEMS. NOW THIS IS IN CONNECTION WITH THE SHIPMENT OF THE LIST OF THE 6 ITEMS. THE SHIPMENT WILL BE EFFECTED BASED ON THE PRIORITY THAT WILL BE MUTUALLY AGREED UPON AND IN THE QUANTITIES THAT WILL BE AGREED UPON. AND IN IRAN THEY WILL START THE EFFORT OF FINDING ABOUT THE WHEREABOUTS OF THE OTHER TWO HOSTAGES AND ESTABLISHING A PLAN FOR THE RELEASE OF THOSE TWO HOSTAGES

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HAKIM: ((INTERPRETING)) AT THIS TIME YOU MUST UNDERSTAND THAT THEY ARE GOING TO TRY THEIR BEST. THEY ARE NOT IN A POSITION TO MAKE ANY PROMISES BECAUSE THEY DON'T KNOW WHERE THEY ARE

HAKIM: ((INTERPRETING)) AND PLEASE TAKE HIS WORD FOR THIS

NORTH: I ACCEPT IT.

HAKIM: ((INTERPRETING)) SIX. THE U.S. WILL CONTACT KUWAIT AND MAKE SURE THAT THERE ARE NOT ANY DIFFICULTIES AND THAT THE RELEASE OF THE PRISONERS WILL BEGIN, WHICH MEANS TO SET UP SOME SORT OF A TIMETABLE. ((LONG PAUSE)) SO WE HAVE SIX, RIGHT?

NORTH: THAT'S ALL

HAKIM: NO. THERE WAS A MISPRINT THERE. THERE IS ONE MORE ITEM.

HAKIM: ((INTERPRETING)) SEVEN. THE TWO PARTIES--MEANING AT THIS TIME IRAN AND THE U.S.--WILL AGREE TO TAKE STEPS IN THE FRAMEWORK OF THE HAGUE REGARDING THE MILITARY REQUIREMENT OF IRAN AND DELIVERY OF THE BLOCK ITEMS TO IRAN. ((AT THIS POINT HAKIM MADE THIS PERSONAL REMARK: I ASKED FOR CLARIFICATION ABOUT WHAT ITEMS ARE YOU TALKING ABOUT-- THERE ARE ITEMS THAT THE U.S. HAS CONTROL OVER AND ITEMS THAT THE U.S. HAS NO CONTROL OVER. HE IS REFERRING TO THOSE THAT THE U.S. HAS CONTROL OVER THEM AND HE GAVE AN EXAMPLE OF THE F-14. THERE ARE VARIOUS SPARE PARTS

ON PERSONAL CLARIFICATIONS

HAKIM: ((INTERPRETING)) NOW YOU HAVE THE SEVERAL POINTS. HE IS GOING TO MAKE SOME CLARIFICATIONS

HAKIM: ((INTERPRETING)) THE FIRST CLARIFICATION AND EXPLANATION. THE RELEASE OF THE KUWAITI PRISONERS AND THE RELEASE OF THE REMAINING AMERICAN HOSTAGES AS FAR AS THE TIMETABLE IS CONCERNED MUST MATCH

NORTH: WHAT DOES THAT MEAN?

HAKIM: IT MEANS THEY HAVE TO COINCIDE OR HAVE SOME LOGICAL CORRELATION. THEY MUST BE CO-RELATED

((HAKIM ASKS [REDACTED] INAUDIBLE QUESTION WHICH [REDACTED] ANSWERS

HAKIM: I SAID I DIDN'T UNDERSTAND WHAT 'THE REMAINING HOSTAGES' MEAN. ARE THEY REFERRING TO THE LAST TWO NEW ONES OR WHAT? HE CLARIFIED FURTHER THAT, AS HE SAID EARLIER, HE DOESN'T KNOW WHERE THE LAST TWO NEW (H)

STAGES ARE. IF BY THE TIME THAT WE GET TO THIS THEY HAVE FOUND OUT WHERE THE OTHER TWO ARE, THEN THE REMAINING HOSTAGES MEANS THAT WHATEVER THERE IS TO BE RELEASED

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SO THEY CAN END TERRORISM.

((IN PERSIAN)) CLARIFICATION NUMBER TWO

NORTH I STILL DON'T UNDERSTAND THAT

SECOND I UNDERSTAND THAT DOES HE HAVE ANOTHER CLARIFICATION?

HAKIM. YES. HE HAS A TOTAL OF FIVE

SECOND CLARIFICATIONS ARE GOING TO RUN US OUT OF TIME. I THINK HE HAS ALREADY BUSTED THE FLESH ANYWAY ((FEW WORDS MISSED)) UNACCEPTABLE. ACROSS THE BOARD

HAKIM. ((IN PERSIAN)) HE SAID PARENTHETICALLY THAT WITH THE SUGGESTIONS THAT YOU MADE YOU HAVE ALREADY TAKEN A STEP TOWARDS STARTING A RELATIONSHIP

HAKIM ((INTERPRETING)) NUMBER TWO THEY CAN NOT INCLUDE REGARDING IT SHOULD NOT BE PART OF THIS. BECAUSE THEY HAVE NO INFORMATION BUT I HAVE SOME INFORMATION I'LL PASS ALONG SEPARATELY. NOT BE INCLUDED IN THIS IS NOT TO BE INCLUDED IN THIS CLARIFICATION.

HAKIM ((INTERPRETING)) HE WANTS TO REPEAT WHAT WAS SAID EARLIER ABOUT THE MEETING OF THE UPPER ECHELONS OF THE TWO AND HE SAYS THIS WAS NOT WITHIN THEIR AUTHORITY THEY WILL DISCUSS IT

HAKIM ((INTERPRETING)) REGARDING THE LARAC PRISONERS THEY WILL LEAVE THAT UP TO THE LEBANESE TO RESOLVE IT THEMSELVES END

((INAUDIBLE))

((AT THIS POINT HAKIM POINTS OUT TO THAT THE HOSTAGE ISSUE IS NOT THE ONLY ISSUE BEING DISCUSSED AND THAT HAS GONE OFF TRACK.))

NORTH I'VE GOT TO RUN AND WE NEED TO GET OUT OF THIS PLACE BEFORE THE SHOW UP AND FIND US

HAKIM. ((IN PERSIAN)) THEY'VE RUN OUT OF TIME ((REMAINDER INAUDIBLE))

NORTH I THINK IT WOULD BE BEST IF I DID NOT PROVIDE ANY OFFICIAL COMMENT ON YOUR PROPOSAL AT THIS TIME

HAKIM INTERPRETS

NORTH BUT LET ME MAKE MY PERSONAL OBSERVATIONS

HAKIM INTERPRETS

NORTH I FEEL VERY MUCH LIKE I DID THE LAST TIME YOU AND I SAW EACH OTHER IN TEHRAN

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HAKIM INTERPRETS

NORTH AND THAT IS THAT A GREAT OPPORTUNITY IS GOING TO PASS OUR TWO COUNTRIES BY. I WILL GO BACK AND DUTIFULLY CARRY YOUR MESSAGE TO PRESIDENT. I BELIEVE THAT HE WILL PROBABLY BE VERY DISAPPOINTED THAT WE ARE NOT GOING TO PROCEED AS QUICKLY AND AS EFFECTIVELY TOWARD A RELATIONSHIP BETWEEN OUR TWO COUNTRIES AS HE HAD HOPED

HAKIM INTERPRETS

NORTH I WANT YOU TO UNDERSTAND MY PERSONAL SENSE OF LOSS AND IT IS THE SAME AS I FELT STANDING ON THE RUNWAY IN TEHRAN THAT I SEEING TWO GREAT PEOPLES WHOSE INTERESTS ARE VERY MUCH THE SAME, WHO OUGHT TO BE PROCEEDING IN THE SAME DIRECTION, WHO WILL INSTEAD PASS EACH OTHER LIKE SHIPS IN THE NIGHT

HAKIM INTERPRETS

NORTH THE PROPOSALS I MADE TO YOU LAST NIGHT IN MY SEVEN POINTS WERE BASED ON TWO GREAT PRINCIPLES. THAT FIRST OF ALL WE RECOGNIZE AND ACCEPT THE ISLAMIC REVOLUTION OF IRAN AS A FACT AND ARE PREPARED DO SO PUBLICLY. SECOND OF ALL WE ARE COMMITTED TO PRESERVING, TO HELPING. SECOND OF ALL WE ARE COMMITTED TO HELPING YOU TO PRESERVE THE TERRITORIAL INTEGRITY AND SOVEREIGNTY OF YOUR COUNTRY

HAKIM INTERPRETS

NORTH I HAD HOPED, MY PRESIDENT HAD HOPED, THAT WE WERE INDEED ENGAGED ON A PROCESS BY WHICH WE WERE DEALING GOVERNMENT TO GOVERNMENT. I HAD LED HIM TO BELIEVE THAT, MY SENSE IS THAT I HAVE FAILED IN MY MISSION. AND MY MISSION WAS TO HELP START THE PROCESS OF HEALING BETWEEN OUR TWO COUNTRIES. IT IS APPARENT TO ME THAT FROM THE CLARIFICATIONS AND FROM THE POINTS THAT YOU HAVE MADE, MY PERSONAL UNDERSTANDING IS THAT WE ARE MISSING EACH OTHER. WE ARE NOT UNDERSTANDING EACH OTHER.

HAKIM INTERPRETS

NORTH FOR YOU SEE WHEN TWO COUNTRIES, TWO GREAT GOVERNMENTS, TWO GREAT PEOPLES BEGIN TO HAVE THESE KINDS OF TALKS, THERE ARE NO ISSUES LIKE [REDACTED] WHICH CANNOT BE INCLUDED. THERE ARE ISSUES OF OUR TWO COUNTRIES

HAKIM HE WANTS ME TO TRANSLATE THAT YOU ARE RIGHT. YOUR ((WORD MISSED)) I CONFIRM--MY PERSONAL PERCEPTION. HE WANTS YOU TO UNDERSTAND THAT HE DIDN'T MEAN ((IT)) WHEN HE SAID [REDACTED] WOULD NOT BE DISCUSSED. HE WANTED TO SAY THAT [REDACTED] WOULD NOT BE DISCUSSED IN THIS MEETING.

HAKIM ((INTERPRETING)) IT IS LIKE NOT ESTABLISHING AN ISSUE SUCH AS THE IRANIAN PRISONERS IN THE HANDS OF ISRAELI--TO RELEASE THEM RIGHT AWAY.

HAKIM ((INTERPRETING)) AND THEN MAKE A DECISION AT THIS MEETING THAT

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IF YOU SAID NO, IT MEANS THAT YOU ARE PASSING

HAKIM ((INTERPRETING)) HE WANTS BOTH OF US TO BE LOGICAL AND REASONABLE. CAN I HAVE ONE MINUTE? ((HAKIM AND [REDACTED] SPEAK QUIETLY FOR SEVERAL MINUTES AMERICANS HAVE A CONVERSATION SIMULTANEOUSLY))

HAKIM THE ISSUE THAT'S BEING RAISED HERE--THERE'S A BIG, BIG MISUNDERSTANDING THAT EVEN ((TWO WORDS MISSED)). I DON'T KNOW IF YOUR TIME WILL ALLOW THIS, BUT I'M GOING TO ATTEMPT. I HAVE BEEN TRYING TO EXPLAIN TO THEM WHY YOU'RE PASSING BY EACH OTHER, AND THAT'S IN CONNECTION WITH THEM RECEIVING THE 500 TOWNS AND NOT TOUCHING UPON THE ISSUE OF THE HOSTAGES ((WORD MISSED)) IS WHEN HE CALLED [REDACTED] AND ASKED HIM IF THIS IS CORRECT OR NOT, THEIR UNDERSTANDING HAS BEEN--FROM THE DISCUSSION HELD WITH [REDACTED]--THAT THE SHIPMENT OF THE 500 TOWNS HAD NO CONNECTION WITH THE RELEASE OF HOSTAGES HE ASKED [REDACTED] IS THAT CORRECT?

AND

HAKIM IS THIS CORRECT?

NORTH NO WE DID NOT IN OUR MEETINGS--WE DID NOT AGREE TO SHIP ANYTHING.

HAKIM YOU SAID YOU DID NOT AGREE TO SHIP ANYTHING

NORTH AS A CONSEQUENCE OF THAT MEETING I MEAN THERE WAS NO

HAKIM INTERPRETS

HAKIM THE MISUNDERSTANDING OCCURRED BECAUSE WHEN WE TALKED ABOUT THE METHOD OF PAYMENT FOR THE TOWNS WE DID NOT RAISE AT THAT TIME THE ISSUE OF THE HOSTAGES AND HIS UNDERSTANDING WAS THAT THEY ARE NOT RELATED

((HAKIM INTERPRETS WHAT HE HAS TOLD THE AMERICANS))

[REDACTED] ((IN PERSIAN)) NO, THEY WEREN'T DISCUSSED ((FEW WORDS MISSED)) AND WHEN I WENT TO TEHRAN I EVEN ((FEW WORDS MISSED)) FOR GOODWILL WE SHOULD FREE ONE OR TWO OF THE HOSTAGES BEFORE THEY GIVE US THE GOODS ((FEW WORDS MISSED)). I DISCUSSED THIS FOR THREE NIGHTS THERE

HAKIM HE WANTS YOU TO KNOW THAT HE WORKED VERY HARD. HE SAYS THE GIST OF THE DISCUSSIONS IN WASHINGTON WAS NOT TO TRADE, IT WAS PHILOSOPHICAL, AND HE HELD THE VERY SAME KIND OF MEETING IN TEHRAN, AND THIS MAN WAS PRESENT. HE EVEN--WHEN HE WAS SITTING THERE REPRESENTING US--HE RECOMMENDED WITHOUT AMERICANS DOING ANYTHING, TO SHOW OUR GOODWILL, WE MUST RELEASE ONE OR TWO HOSTAGES UNCONDITIONALLY. BUT HE TRIED. HE STAYED UP ENDLESS NIGHTS TRYING TO CONVINCE THEM TO DO THIS

HAKIM ((INTERPRETING)) HIS UNDERSTANDING FROM THAT MEETING WAS THAT

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WE HAD REACHED A POINT THAT WE WERE GOING TO TRUST EACH OTHER, AND WE WERE NOT GOING TO BE TRADING. AND WE ARE GOING TO SEND EVEN THE 500 MISSILES AS A TOKEN OF OUR TRUST. AND THEY WOULD ALSO DO SIMILAR THINGS AND WE WOULD NOT BE TRADING "INT" RELEASED HOSTAGES. AND SO HE SAID IT IS ESSENTIAL [REDACTED] "SAID" IT'S ESSENTIAL THAT WE APPROACH EACH OTHER IN THIS FASHION, SHOWING OUR TRUST.

HAKIM: THE ESSENCE AND THE PURPOSE OF THE MEETING IN WASHINGTON WAS TO CHANGE CHANNELS AND WORK WITH THE NEW CHANNEL BASED ON TRUST. IT WAS NOT ON THE BASIS OF THE TRADING

NORTH TRADING "ON"? THE HOSTAGES. I AGREE

HAKIM: ((IN PERSIAN)) HE SAYS HE AGREES

HAKIM: ((INTERPRETING)) HE SAYS IF HIS REPORT--WHICH IS WHAT HE JUST SAID--IS WRONG, PLEASE SAY SO SO HE WOULD KNOW. AND HE WOULD EVEN LET YOU READ HIS REPORT WHICH IS CLASSIFIED

HAKIM: ((INTERPRETING)) HE SAID I WANT YOU TO UNDERSTAND MY POSITION OF BEING TOSSED AROUND. ((FEW WORDS MISSED)) WHEN HE TALKED ABOUT SPARE PARTS FOR THE HAWK MISSILES THE AIR FORCE TOLD HIM "THESE PARTS ARE NOT WHAT WE WANT." AND HE GOT SO FRUSTRATED THAT HE WANTED TO WALK AWAY FROM THE WHOLE THING

((TAPE 15, SIDE A ENDS))

((TAPE 15, SIDE B BEGINS))

((PORTION MISSED WHILE TAPE WAS FLIPPED))

HAKIM: ((INTERPRETING)) AND ON ONE HAND YOU SAY THAT YOU ARE HERE TO ESTABLISH SOMETHING VERY BIG AND IMPORTANT. BUT WHEN I READ EVERYTHING, INCLUDING THE AGREEMENT THAT WAS ABOUT TO BE SIGNED IN IRAN, THE FOCUS AND THE ONLY THING THAT IS BEING DISCUSSED IS THE ISSUE OF THE HOSTAGES. AND THE PERCEPTION OF THE IRANIAN IS THAT IS IT THE SAME SITUATION THAT THEY HAD WITH [REDACTED] WHERE THE GUY WANTED BY THE RELEASE OF [REDACTED] HOSTAGES [REDACTED] AND THIS PERCEPTION TAKES FORMS OF DISCUSSION. AND WE HAVE BEEN PUTTING MANY, MANY HOURS IN

((IN PERSIAN)) IF YOU DON'T WANT TO HELP ME, NO PROBLEM

HAKIM: ((INTERPRETING)) HE SAYS IF YOU DON'T WANT TO HELP ME [REDACTED] TO

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BE ABLE TO PUSH THESE THINGS FORWARD. IT'S NOT AN ISSUE--JUST TELL ME. THAT'S NO PROBLEM.

NORTH: NO AND I WOULD NOT WANT ANYBODY IN THIS ROOM TO STEP OUT OF THIS PROCESS BECAUSE I THINK IT IS TOO IMPORTANT TO BOTH OUR COUNTRIES

HAKIM INTERPRETS

NORTH: ~~WORLD~~ REAGAN CAN'T BE REELECTED HE'S LEAVING OFFICE. ((FEW WORDS MISSED))

HAKIM INTERPRETS

NORTH: THE PROPOSAL THAT I MADE TO YOU WAS NOT BASED ON BARTERING FOR HOSTAGES.

HAKIM: NOW, OR ...

NORTH: NO. THE ONE I MADE LAST NIGHT IT'S NOT A BARTER ARRANGEMENT FOR HOSTAGES--THE SEVEN POINTS I MADE

HAKIM INTERPRETS

((MAJORITY OF REMARK INAUDIBLE HE SAYS THAT THERE WAS NOTHING ABOUT KUWAIT IN THE LIST THAT THE AMERICANS HAD GIVEN THEM. AND THAT THEY SHOULD TELL THE IRANIANS WHAT THEY SHOULD SAY ABOUT KUWAIT WHEN THEY RETURN TO TEHRAN.))

HAKIM: WE ARE SO CLOSE AND YET SO FAR APART

CAVE: I KNOW

SECOND: I THINK WE HAVE TO CLEAR OUT OF THIS ROOM

NORTH: LET ME JUST MAKE ONE POINT. OUR GOVERNMENTS MAY NEVER GET TOGETHER OUTSIDE OF THIS ROOM. THAT WOULD BE A GREAT GREAT TRAGEDY FOR THOSE OF US WHO LIVE ON THIS PLANET EARTH

HAKIM INTERPRETS

NORTH: BUT I DON'T WANT US TO PART ANGRY--PERHAPS DISAPPOINTED. BUT NOT ANGRY

HAKIM INTERPRETS.

CAVE: ((~~IRANIAN~~ PERSIAN)) WE SAID SOMETHING ABOUT KUWAIT IN POINT SEVEN.

((AT THIS POINT THE AMERICANS BEGIN DISCUSSING POINT SEVEN AND AGREE THAT THE AMERICAN VERSION NEEDS TO BE CROSSCHECKED WITH THE IRANIAN VERSION BECAUSE ~~CAVE~~ HAD SAID THAT THERE WAS NOTHING ABOUT THE KUWAITIS IN IT. CAVE SAYS THAT POINT SEVEN MENTIONS APPROACHING THE KUWAITIS TO RELEASE THE SHI'A HELD. IRANIANS BREAK OFF INTO A DISCUSSION.))

NORTH: WHY DON'T YOU GUYS HOLD THIS DISCUSSION AFTER I'M GONE, OR BECAUSE I'VE GOT TO LEAVE

SECOND: WE'VE GOT TO CROSSCHECK THESE LISTS AND (ONE OR TWO WORDS MISSED) GIVE US THE RIGHT TRANSLATION

NORTH: I'M GOING TO LEAVE THIS WITH YOU GUYS. ALLRIGHT YOU MAKE SURE

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HAKIM INTERVIEW

HAKIM: ((INTERPRETING)) NOW THAT COL NORTH IS LEAVING THIS MEETING DISAPPOINTED AND POSSIBLY NOT ACHIEVING THE FULL SATISFACTION, AND WE WILL POSSIBLY LEAVE IN THE SAME MANNER FOR IRAN. WE ARE HOPING THAT WE WILL REACH TO THE THIRD ((WORD MISSED)) AND THAT THE BASIS OF IT WOULD BE BASED ON WHAT WE DISCUSSED HERE. BUT YOU MUST KNOW THAT THEY ARE GOING TO BE ((TWO WORDS MISSED)) IN THE OUTCOME OF THE WAR AND THE REMOVAL OF SADDAM HUSAYN. WHETHER YOU HELP US OR YOU WON'T HELP US, WE WILL CREATE ANOTHER ((WORD MISSED)).

HAKIM. ((INTERPRETING)): AND HERE AND NOW WE THANK YOU FOR THE INFORMATION AND INTELLIGENCE THAT YOU GAVE US IN THIS MEETING WHICH POSSIBLY CAN HELP US IN CHOOSING THE RIGHT WAY. BUT PLEASE REMEMBER IF IT WILL COST THEM A LOT--MEANING LIVES--TO GET ANOTHER ((WORD MISSED)) AND THAT WOULD BE HEAVY COST AND LOSS FOR THEIR COUNTRY, THEIR NATION. WHETHER SADDAM HAS BEEN REMOVED OR NOT, THERE WILL NEVER BE ANY MORE A SPIDGE ON THE SHOULDER OF NORTH AND ((REDACTED)) FOR THE TWO COUNTRIES TO CROSS. END OF THE MESSAGE.

HAXIM: ((INTERPRETING)) LET US ESTABLISH THE BRIDGE AND EXPAND IT

HAKIM: ((INTERPRETING)) IN THE ((FEW WORDS MISSED)) WE WILL CONTINUE WITH OUR WAY, AND THE EIGHT YEARS OF REVOLUTION HAS SHOWN THIS

CAVE. IS THERE WE BETTER GET THAT LIST. BECAUSE THE KUWAIT THING IS ON

SECOND: ON THE WAY WE NEED TO DO IS TO CROSS-CHECK THIS FARSI IN THE
TRANSLATION WITH OUR ENGLISH TRANSLATION.

CAVE. BECAUSE THERE'S A SERIOUS MISUNDERSTANDING THAT HE HAS

HAKIM INTERPRETS

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NORTH: JUST ONE THING VERY QUICKLY. IT IS IMPORTANT WHEN YOU GO HOME, THAT YOU VERY PRIVATELY EXPLAIN THAT WE HAVE ALREADY STARTED ON THE KUWAITI ISSUE, AND PLEASE GO THROUGH YOUR NOTES CAREFULLY ON THAT ISSUE BECAUSE ALL THE KUWAITIS ARE LOOKING FOR IS AN ASSURANCE OF NO MORE TERRORISM FROM THE DAWA. BUT THAT'S A DIFFICULT THING TO DO, AND I UNDERSTAND THAT--THAT'S WHY IT'S DOWN THERE LATE IN THE LIST, BUT IT'S ONE OF THOSE THINGS THAT IS POSSIBLE, PARTICULARLY AFTER THE WORLD REALIZES THAT YOUR GOVERNMENT AND MINE ARE INDEED WORKING

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HAKIM INTERPRETS.

NORTH: THERE ARE THE KINDS OF THINGS THAT HAVE TO BE DONE VERY, VERY SECRETLY, JUST LIKE OUR GOVERNMENTS BEGAN THESE DISCUSSIONS VERY, VERY SECRETLY.

HAKIM INTERPRETS.

NORTH: NOW I WOULD PROPOSE--I HAVE BEEN TOLD THIS MORNING THAT I MUST GO ON ANOTHER MISSION--AND I WOULD PROPOSE THAT WE TRY TO GET TOGETHER AGAIN ABOUT... IT'S GOING TO BE THE REST OF OCTOBER FOR ME I THINK... MAYBE SUNDAY, NOVEMBER 2ND, IF YOU WOULD LIKE TO COME TO WASHINGTON, OR MEET SOMEWHERE ELSE.

HAKIM INTERPRETS.

NORTH: THAT WILL GIVE YOU TIME TO GO BACK...

((DISCUSSION HERE ABOUT THE DATE NORTH SUGGESTS EITHER 2 OR 3 NOVEMBER.))

NORTH: BECAUSE I'VE GOT TO GO TO ICELAND--THEY'RE GOING TO MEET WITH THE PRESIDENT THIS AFTERNOON. I MUST GO TO ICELAND AND THEN I HAVE TO GO DOWN SOUTH. (FEW WORDS MISSED) BIG PROBLEMS.

HAKIM INTERPRETS.

((HAKIM AND [REDACTED] SPEAK QUIETLY.))

HAKIM: WHAT IS YOUR POSITION IN CONNECTION WITH THE TOW MISSILES? YOU DID CONFIRM.

NORTH: I DON'T HAVE A POSITION. MY PRESIDENT--SOMEONE--BUT I THINK WHAT IS GOING TO HAPPEN IS HE NEEDS TO KNOW THAT WE'RE HEADED IN A POSITIVE DIRECTION. OK? AND THE PLAN THAT I PROPOSED THERE PROVIDED SOME 2,000 TOW MISSILES.

HAKIM INTERPRETS.

NORTH: THE HAWKS AND... SO IN PRINCIPLE, SEE, WE ARE PREPARED TO PROCEED ALONG THOSE LINES. OK?

HAKIM INTERPRETS.

CAVE: [REDACTED] A SUGGESTION WHY DON'T YOU TAKE THIS, GO OVER IT, AND HAKIM [REDACTED] THAT THAT THING (FEW WORDS MISSED) TAKE IT BACK TO TEHRAN THE EXACT? WHY DON'T YOU GUYS GO TO THE HOTEL AND WORK ON THAT.

NORTH: THAT'S THE PRESIDENT'S AUTHORIZED LIST. THAT'S ALL HE AUTHORIZED... IN FACT HE TOLD ME, HE SAID, YOU KNOW, 'DON'T GIVE AWAY MORE THAN YOU HAVE TO' THAT IS EVERYTHING HE AUTHORIZED ME TO TALK ABOUT.

((CHATTING IN BACKGROUND, CLOSING OF BRIEFCASES.))

CAVE: BEFORE THE MEETING IN NOVEMBER WE WOULD LIKE TO HAVE IT BE VERY CLEAR AS TO WHAT WE'RE GOING TO DISCUSS AT THE MEETING.

NORTH: I WOULD SUGGEST THAT WHAT WE DISCUSS ARE THE POINTS THAT I GAVE

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YOU—HOLD SEVEN POINTS

CAVE INTERPRETS.

NORTH: ONE OF THE THINGS THAT WE'RE VERY CONCERNED ABOUT IS GETTING SET
 [REDACTED] THIS COMMUNICATIONS ?THING? BECAUSE THE TELEPHONE CALLS
 [REDACTED]

((CHATTING ABOUT NORTH GOING TO THE AIRPORT, ETC.))

NORTH: ((TO [REDACTED] I LIKED YOUR ANALOGY. YOU HAVE STRONG SHOULDERS
 I'VE SEEN TOO MANY GOOD MEN DIE. I WANT BETTER FOR YOU.

((MORE CHATTING ABOUT DEPARTURE PLANS. GATHERING UP OF PAPERS. CLOSING
 OF BRIEFCASES. AMERICANS DEPART IRANIANS SPEAK INAUDIBLY.))

END TAPE 16, SIDE B

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Chapter 14, Footnote

#209

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14-209

8 October, 1986
Evening until midnight

Iran would pay to Mr. Hakim the price of 500 TOW missiles],--and if so desired--the Hawk parts that remain from our agreement.

Nine days later--should Iran agree--five hundred TOW's as well as Hawks together with donated medicines will be sent to Iran.

4. In fulfilling the provisions of paragraph number 4, Albert will submit the plan for the release of the Kuwaitis [17 persons].

4. One and one-half American hostages in Lebanon (one with certainty and possibly two through persistent effort) [sic] to be released from the Lebanese through Iran's effort, (3-4 days after the delivery of the cargo mentioned in paragraph 2).

5. Through a method for opening of credit to be studied by Albert and [redacted] tomorrow night: Five hundred TOW missiles with a maximum of one hundred launchers to be delivered to Iran within [redacted] days after fulfilling the provisions of paragraph [redacted]. Iran will pay for 1500 TOW's (500 received and [redacted] future ones). And the 1,000 TOW's will be delivered to Iran within nine days.

6. The United States shall start and implement the technical support (both in goods and expertise) for Hawks as well as the rejuvenation of [redacted] information [intelligence] and maps and special communication. And it [the U.S.] will submit to Iran the price schedule and time table for the delivery of [redacted] items.

7. Prior to return of [redacted] to Tehran, the question of Muslim (Shi'a) prisoners in Lebanon and the process for their release by the parties involved shall be discussed with Secord.

8. Iran shall pursue its efforts for the creation of [proper] background for the release of other hostages.

9. Steps to be taken for the submission of items mentioned in paragraph 6, second sentence.

END

SECRET

THIS IS FIRST DRAFT OF 9 POINTS. THERE WERE
SUBSEQUENT REFINEMENTS WHICH ARE ONLY AVAILABLE
AT THE NSC.

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Executive Registry 19653

Partially Declassified in 4/23/88
under provision of E.O. 12958
By B. Berger, National Security Council

14-210+211

See Hearing Exhibit OLN-136

14-214-216

See Hearing Exhibit OLN-312

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under provisions of E.O. 12356
by B. Reger, National Security Council

MEMORANDUM OF CONVERSATION

PARTICIPANTS: U.S.: Oliver North
Richard Secord
Sam O'Neill
Iranian: [REDACTED]1503
14-221

First session convened in the Old Executive Office Building at 12:15 p.m. on Friday, September 19, 1986. [REDACTED] opened the session, and after preliminary pleasantries, outlined four points which he wished to address initially. One, the Iranian position vs. what they perceive to be the U.S.'s number one enemy -- Russia. Second, their view of American and Iranian strategic interests in the area. Third, past relations of the United States with revolutionary Iran. Fourth, their views for future relations with the United States.

[REDACTED] then launched into a lengthy exposition with respect to the foregoing issues. He said that the Soviets are a great and aggressive power with a long border with Iran. They recognize that Russia is a direct enemy of the United States and that, with respect to Iranian interests, they do not wish to have antagonistic relations with the USSR, but on the other hand being a friend of the Soviets could be even more dangerous because Soviet ideology is directly opposed to Iran's. They also recognize that their brothers in Afghanistan are suffering under the Soviets. Finally, the Soviets are directly supporting the Iraqis in the war against the Iranians and killing Iranian soldiers. Back to the question of the long border with Russia, [REDACTED] noted Secord statement in Brussels to the effect that the United States would oppose a Soviet thrust into Iran with or without support of the Government of Iran. The Government of Iran found this statement to be interesting and comforting. The leaders of Iran are very worried today about the "fantastic" increase of Soviet intelligence operations in Iran in recent times.

[REDACTED] The Soviets are attempting to exploit Iranian internal problems. He went on to acknowledge that the revolutionary environment in Iran has many weaknesses. Their security services are weak for instance.

[REDACTED] next turned to relations between the Government of Iran and the United States Government. He says that some cooperation is necessary in their view.

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[REDACTED] Next, Iran needs U.S. influence with the Arab countries friendly to the United States in order to help diminish support for Iraq. Third is the matter of oil, which is vital to Iranian economy. They need U.S. support in this matter. Fourth and most important, he said, is the security of the Gulf and terrorism against U.S. interests and hostages.

[REDACTED] said he wanted to make these things clear and one of the Iranian leaders in particular has asked that he make this message very clear.

[REDACTED]

On the subject of security, [REDACTED] said this has two aspects: One is the fear of the flood of terrorism in the region and the second is the overall effects of the current war. With respect to terrorists and hostages, he said that the Shiite religion under the Aytollah is absolutely opposed to terrorism and the taking of hostages. For instance, after the explosions in Lebanon, the Aytollah wrote a "Fatwa," which is a religious ruling absolutely opposing terrorism and the taking of hostages. But, we the United States have to understand that Iran still does not have strong, effective security forces and firm control. [REDACTED] admits that there are people within Iran who do espouse hostage taking and terrorism.

[REDACTED]

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[REDACTED]

The Government of Iran needs more information in order to confront them and they would like to have this from the United States. [REDACTED] emphasized that from the standpoint of humanity, Iran is against hostage taking and terrorism and even has a certain amount of sympathy for the U.S. at the current time. In the case of Lebanon, Iran considers that they have in the past been helpful to the U.S. In the TWA hijacking, in getting information on the hostages and in the release of two hostages, Iran has already helped. [REDACTED] said that the Iranians have attraction in places like Lebanon because of the "right-minded masses of peoples' sympathy" for the Iranian revolution. But he said that both Iran and the United States are victims of this hostage business. He next turned to the Iran-Iraq war. Iran, he said, needs a "victory" and that he will explain what he means by victory. Lack of security in Iran is a real problem for the United States. Secord's comments in Brussels were well received and his analysis of the war was keenly received by the leadership in Iran. [REDACTED]

[REDACTED]

With respect to United States and Iran, [REDACTED] provided a quick analysis. Until two years ago, it was difficult for anyone in Iran to consider any kind of United States Government/Iranian relations. There were several probes in the past two years and he wanted to know if they were real. [REDACTED]

[REDACTED]

And finally, what [REDACTED] regarded as the worst channel, they've also received numerous probes and letters from an unnamed arms dealer in Europe. Some in Iran believed in these probes from the arms dealers, but "I personally," [REDACTED] said, "did not believe in them." [REDACTED] claimed to have been working on this opening of relations [REDACTED]

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with the U.S. for two years now and that the real problem is the lack of communications. "One and a half years ago, an arms dealer came, allegedly with word from [redacted] about exchanging two hostages for arms. We don't trust this arms dealer. After the discussions with Secord and Hakim in Brussels, the leadership has come up with the idea of forming a 'joint committee' that would sit down and resolve the problems step-by-step and that we have a great opportunity to do this now."

[redacted] went on to emphasize the critical importance of this direct meeting here in Washington. "A stage-by-stage plan is needed with which both sides can agree and we need to get on with it quickly while the opportunity is still here."

North responded. "Happy you are here and hope that there is now no doubt that you are talking directly with the Government of the United States directly."

"We understand your problems with respect to channels of communications. We have had the same problem. In all honesty, we are still not in a position to have very good relations, but we are certainly interested in a step-by-step approach to the problem. We have received assurances from General Secord about the genuineness of this particular channel to Iran and, therefore, the President has authorized this meeting. I understand your sensitivity on this, because it is important to have good communications in order to proceed."

[redacted] We recognize that your connection with the arms dealer, Ghorbanifar, was not acceptable and is not acceptable to us either. However, he did bring us into contact with an official of the Government of Iran [redacted] This was our first meeting with a Government of Iran official in over six years. As you know now after meetings in Germany with [redacted] we arranged for a delegation to go to Tehran. The President chose a most trusted adviser to lead this mission -- Robert McFarlane. The reason why we went to Tehran was to try to establish the channel of which you now speak. Unfortunately, we met with only a few officials most of whom used false names. We met with none of the people that we expected to meet with and the meeting was a great disappointment to our President."

[redacted] interjected that it is important for him to know the names of the people. In the discussion ensued as to what the people looked

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like and what assumed names they used. North continued. "You should understand that this meeting in Tehran was a great disappointment to us. It has been difficult since then to convince the leadership here of the need to try to continue in the face of that failure. While we were there, we even prepared a draft Memorandum of Understanding to establish this channel. We understood the need for secrecy and I can show you this draft here now, if you wish to read it.:

"There are a number of things which you should understand about why we have pursued this attempt to be in contact with your government. President Reagan is a very strong and popular President. He has helped the United States to recover from a period of economic and military weakness. He has restored economic and military strength to the U.S. Most important, he has restored the will of American people. The U.S. is no longer afraid to use its power in its own defense, and it is not intimidated by the Soviets. Yesterday, we expelled 25 Soviets from the United Nations. We will not give in to Soviet pressure in Afghanistan, Angola, or Central America. The United States wants relations on the basis of reciprocity with all states and, of course, this includes Iran. We want to solve our disputes through discussions not through fighting. The United States believes that many trends are working in its favor -- economy, technology, politics, all working in favor of the United States. Reagan has two more years and has a strong moral position in the eyes of the United States and of the world. The President strongly believes in the words of the Holy Book as do you. He believes deeply in the teachings of the God of Abraham. Thus, he is very popular here and should be popular in the world of Islam. When we went to Tehran, he said to tell you that we accept your revolution as a fact. We admit that there have been missteps along the road since the revolution, but it is important to tell you that there is a responsible and sincere wish in the leadership here to establish communications/relations with Iran. Therefore, we must speak frankly in order to facilitate this. Our policy is based, not on emotion, but on perceptions built-up over the years. There are many things that you have said which we can agree to, but there is a perception that Iran has used revolutionary Islam against the United States. For example, it is clear that some in the Government of Iran have encouraged the taking of U.S. hostages as a means of getting back convicted prisoners held by the Kuwaitis and that there has been a direct connection between the Da'wa, Hizballah, and elements inside the Government of Iran. Therefore, since we're a democracy, as long as this perception exists, we have a great obstacle in the way of doing what the President wants and what you say Iran wants. Also, we see anti-U.S. activity emanating from Iran in Central America."

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[REDACTED] questioned the basis for this information. North responded. "This is all based on accurate intelligence. For example, in Nicaragua, Iran actively supports the communist government there and Iran plans to ship 10,000 rifles and other munitions to Nicaragua through North Korea. These activities serve Soviet interests and in the long-term jeopardize Iran and the United States. In spite of this, the President has directed us to proceed with attempt to establish discrete and, when appropriate, a public relationship with Iran. The President's direction is based on two important principals: One, concern over the Soviets vis-a-vis Iran and; two, our desire to ensure the territorial integrity of Iran and the other Gulf States. We accept the revolution as a fact. The territorial integrity of Iran and the other states in the region are of great importance to the United States.

[REDACTED] The United States does not wish to see Iran lose. We do not want to see an attempt against Iraq which will bring in the Soviets. The Soviets, on the other hand, are in a difficult position. Their economy is a disaster; they've suffered major reverses, for instance, Chernobol; Soviet defectors are showing up all over the world; Soviet ships run into each other in the Black Sea; Soviet submarine-launched missiles accidentally land in China. Last week, six Soviets were killed in Peru. They see the Iran-Iraq war and Afghanistan as very important to them, but neither of these wars are going well for them. They have two things, however, that are advantageous to them. One is great military power, capable of intimidating their neighbors; and two is a very, very effective KGB. We believe that they are capable of using these two instruments of power. Therefore, we understand that Iran can be not their enemy, nor their friend. We have common interests. Iran's continuation as a sovereign state is something that we desire. We have no interest in an Iraqi victory. You might remember that we had no relations with Iraq during the years of the Shah or even during the revolutionary period right after the Shah. We're willing to serve in some role which would end the conflict honorably for Iran.

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[REDACTED] The U.S. has no illusions, however, about future Iranian relations. The right way is to proceed carefully and quietly. For example, Soviet anxiety could be quickly raised if they knew that we were trying to reestablish relations. We have shared interests for the long-term. We are prepared to improve on the situation that exists now and to do it in a step-by-step way. However, it's really up to Iran, we are ready."

[REDACTED] responded. "Regarding the need for Iran to achieve victory, it is not necessary that we achieve a big decisive military victory, but some kind of victory. Only in the last two years, has our approach with the United States been seen as possible, but it is most important to note that the important thing from Iranian perspective is to get Saddam Hussein out. This can be done by the Arabs. We have no territorial designs on Iraq. We have in fact given orders that no Iranian troops on Iraqi territory will display our flag. Iran wants a government in Baghdad that they can live with. The United States can help with the friendly Arabs."

North responded. [REDACTED]

[REDACTED] In regard to the points [REDACTED] made: "We were working with Ghorbanifar to make contact, but the letters provided by him to Iran describing our willingness to do certain things were not authorized. Only the document which we produced in Tehran, of which I have provided you a copy, was authorized."

[REDACTED] I want to tell you that unless one of the three men sitting here in the room right now (North, Secord, Sam O'Neill) contact you, there is no official message. With respect to the document we prepared in Tehran, you will note a considerable emphasis on hostages. We consider them to be an obstacle. An obstacle to the understanding of the American people. The widespread perception here in America is that Iran is basically responsible for these hostages. The issue of hostages and terrorism must be dealt with since it is a political obstacle. On the other hand, you should realize that 52,000 people in the U.S. died last year in automobile accidents and 130,000 people died from lung cancer. Five U.S. hostages rarely make the newspapers or the television, but because this is a democracy, if the President is found to be helping Iran with this obstacle still in the way, it would be very difficult to explain to our people."

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"From the first, with [REDACTED] and Ghorbanifar, we have said let's get this issue -- the hostages -- behind us. We recognized that this would be undertaken as a humanitarian gesture on the part of the Iranian Government. [REDACTED]

[REDACTED] and to demonstrate our sincerity, at one point, we directed the delivery of 500 TOW missiles and eight hours later they were delivered into Bandar Abbas. But instead of responding favorably, 'rug merchant' type moves resulted, prices were talked about, prices were established for human lives. For instance, 'so many items for so many hostages.' We don't consider this to be a responsible government action and not one that the United States is prepared to engage in."

"We are prepared to continue to provide to Iran items which will help in her defense; but we wish to see the hostage issue behind us so that we can move onward. We have certain items of equipment already prepared for shipment. But you must understand, we cannot give them away. They have to be purchased."

[REDACTED] interjected with humor saying "haven't they already been paid?"

North responded saying that the TOWs and certain improved HAWK spares had been delivered and paid for, but the intermediary, Ghorbanifar, was complaining that the had not been fully paid.

[REDACTED] interjected with a political point. He said he agreed that the obstacle had to be removed, but we have to make it much more official and deal directly. Our government thinks that dealing through someone like Sacord is a better way to go because they trust him. They don't expect factory prices, but they don't want the same situation to exist that exists today.

North responded saying that "Ghorbanifar always claims to be borrowing and then getting paid in part and rolling debts forward and raising costs and it is very, very confusing and its impossible for us to follow exactly what it is that he is doing. However, Ghorbanifar knows a great deal and he could be harmful to us if we were to go public and this is the problem which we wish to address. We think that Iran should pay him whatever they owe him so he will be quiet and stay off the air."

[REDACTED] responded that he has gotten all his money but he will look into it.

North said that we would be happy never to deal with Ghorbanifar again but, if he is to keep quiet, his debt should be paid. "We risk a great deal if we are compromised this early in the game. To be honest, I would just as soon not deal with [REDACTED] either, but this is an Iranian matter."

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████ continued. "It's good that you established your initial contact with █████. This was important to the people in Tehran although it was not successful, and the proper people were never made aware and poor coordination was done and the meeting was not planned properly and it was, thus, very premature. Still it was important that we did establish initially at least contact with █████ because this was a pioneering move and █████ would not be in Washington now were it not for this initial opening."

North responded. "We are confident that you represent the Government of Iran and to his credit, as I said, █████ did have the first meeting with us in six years. This meeting that we're having now should do much to instill confidence in our two capitals and, if we can proceed, it will be very good."

████ Earlier you mentioned concern for security and concern over terrorism in our airlines and this we appreciate. The Government of Iran announcement that the Pan Am aircraft hijacked in Karachi could not come to Iran was much appreciated. As a further demonstration of our sincerity, we will arrange that next week on Voice of America the United States Government will thank those countries who were involved in helping in the Karachi hijacking and, for the first time, we will mention Iran as having acted in a positive way. It will be done very discretely in a editorial on VOA. Obviously, we cannot have the President go out announce an Embassy is being opened in Tehran. You would have a domestic, political problem and so would we. Thus, back to our obstacle: Truly we wish to get it behind us. We recognize that Tehran does not exercise absolute control over Hizballah, Amal, or Islamic Jihad; but we also know that you can help resolve this issue."

████ responded that the issue "would be resolved." The question of who █████ is and what his background is was then raised by North and █████ responded that he was a trusted agent of Iran; he had been a loyal officer and now was a businessman and that they had complete confidence in him. North responded we know very little bit about this man and we are obviously concerned for security; we are concerned with the KGB penetrations and so on.

████ responded that he too was concerned over this sort of thing. He also said that with respect to Mr. Hakim, whom he personally liked and wanted to see involved, some in Tehran regard him as a CIA agent. North responded that Hakim was never a spy for the United States; that he has been a consultant to our government on Iranian affairs from time to time; that he had full trust and confidence as a man who wanted to see improvement for the Iranian people and improvement in relations between our two countries.

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Because of the requirement for secret communications, he has acted on our behalf and we have investigated him as we investigate everyone. This is important to him because of his interest in the country of his birth and the country of his citizenship. We will include both he and [REDACTED] in whatever sessions that you wish to have them involved in -- you simply have to tell us.

[REDACTED] turned back to [REDACTED]. He said that he is certain that [REDACTED] has not been profiteering, but instead has been working sincerely but, he [REDACTED] is a simple man and he could not continue on with this complex relationship.

North said we tend to believe this. "Sam, here, has often talked with [REDACTED] and there is always inconsistency between what he says and what Gorba claims."

[REDACTED]

North said that we are concerned that the Soviets not become aware of any U.S. Government or Iranian Government relationship. "In Tehran, we recommended that we set-up a secure communication station and this would require us to send two of our men to Tehran to man and operate the station. This would give us good secure communications and would thwart the KGB. We are very concerned about KGB efforts to penetrate any relationship we might establish with the Government of Iran. The Iranian idea for a joint committee elsewhere seems to be a good idea, in principle. Meeting somewhere in Europe is probably the way in which we should proceed to manage this beginning relationship. The problem is that we have to set up some place where it won't be penetrated by the KGB. We are very concerned about communications and the Soviets' ability to intercept."

[REDACTED] responded that he agreed about the KGB and would like to use a single courier from Iran to Frankfurt via Iran Air from now on until secure communications could be established.

North asked [REDACTED] if he wants [REDACTED] on this joint committee?

[REDACTED] said, "Yes, but only for logistical purposes. I want to give more thought to [REDACTED] and how he can work with Hakim." With respect to Ghorbanifar, [REDACTED] said they want to get him out of the loop as soon as they can. He's been profiteering and people in Iran fear that they will be accused of being profiteers.

North responded that Ghorbanifar has some strong Tehran connections that we know of and this remains a problem that needs to be solved. [REDACTED] said that our recent contacts with [REDACTED] have

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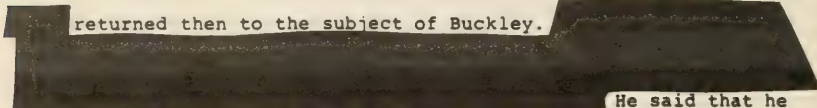
been very well handled



With respect to the hostage issue, he wants to get it resolved as quickly as possible and he is confident that they can resolve it. He said that Iran wants to make this a full exchange. For instance, "we have in mind to give you fellows T-72 tank, for example."

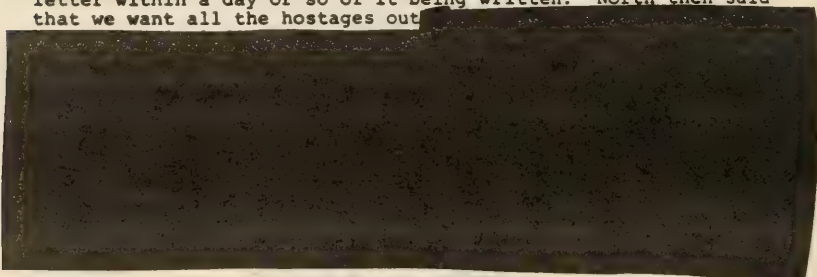
North again expressed concern about security and about Ghorbanifar, in particular. North also stated that we believe that the oil market is naturally depressed and there is certainly no collusion between ourselves and the Saudis or others to keep prices low, but he agreed that the U.S. and Iran have similar interests with respect to oil.

returned then to the subject of Buckley.



He said that he wanted to assure us that Buckley was not killed; that he died of natural causes; that he had three heart attacks. He also assured that he had been told that the others are all in good shape. He said that there are video tapes of them recently, talking for 20 minutes each and that these will be distributed to news agencies. He also said that there was one letter sent out.

North confirmed that one of the hostage relatives received a letter within a day or so of it being written. North then said that we want all the hostages out

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At 1800 hours, the first session ended with a short break and then Albert Hakim and [REDACTED] joined the group. After being joined by the others, [REDACTED] then said that he was growing tired and asked General Secord to read off the list of Iranian needs which were headed up first by intelligence exchange.

[REDACTED]

North reviewed the list of logistics support items being requested and responded that, in principle, to the extent that items are available either here or elsewhere there isn't a particular problem. "But as we emphasized to [REDACTED] in Tehran, we think that you might be thinking too small. People preparing lists are only thinking of the very short-term. We, the U.S., look at two million Iranians without homes; half the oil production facilities knocked out; yesterday's attack on Kharg Island, for instance, is a good example; medical supplies being in great shortage, even shortages of food; and so on. We think that the Iranian planners should be talking to us about other than simple weapons requests."

[REDACTED]

[REDACTED] The United States is interested in helping stop the killing and to provide for an adequate defense. We cannot just do these things willy-nilly. For example: 10,000 175mm RAP rounds is not a

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suppliers could be more
all the artillery ammunition we could
send."

"The authorities recognize the need for technical assistance. This was pointed out by General Secord in the Brussels' discussions and we should understand that they really inherited nothing from the Shah in the way of an army. The army was disorganized and very disarrayed. The lower echelon officers, as well as the higher echelon officers, were worth very little. They picked the first steps in this war with the army of the people, the revolutionary guards." He recalled earlier that in a meeting with [redacted] some of the military officers said that they had to have one tank for every Iraqi tank, one plane for every Iraqi plane. "This was not practical and, therefore, over time it was decided that the Iranian revolutionary guard, the army of the people, would be used to repel the enemy. Since then, of course, it has become more technological in nature and there are minimum levels of technological assistance and equipment we badly need and the United States can be very helpful in providing these. Therefore, they are looking forward to trying to establish a decent relationship on a secret basis at first."

At 2015, it was agreed to stop for the day and reconvene on Saturday, September 20, for further discussions.

The session continued on September 20, at 0935 hours in an office near the Sheraton Tysons' Hotel, where [redacted] was staying. Present for the U.S. side were Oliver North, Sam O'Neill, and R. Secord. Only [redacted] represented the Iranian side during these initial discussions.

North opened the session by saying that he would like to make some comments about the logistics support items on the list [redacted] had provided the day before. "We would like the leadership of Iran to know that President Reagan is aware that the Iranians have immediate needs; that, while we are sympathetic, we're not just interested in being simply an arms dealer; that we are

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times more than the microfische prices which he has discovered somewhere. "This has caused great of difficulty for us. [REDACTED] has misinterpreted the microfische. We've traced it back to its origins; it's not relevant. But communicating adequately has been next to impossible." Then North gave a short description of how U.S. military equipment is priced; manufacturers' prices; prices to our own forces; prices to allies; and the impact on overall price for the different modes of transfer. North closed by noting that the President has authorized the transfer of a number of TOWs and some HAWK missile parts in connection with this relationship. "In order to maintain secrecy, we have to sanitize the equipment; that is to remove all the original identifying markings and then we have to ship these items through a circuitous route and Israel, as you know, has been involved in this in the past. Thus, not only the time but also the price goes up when using such a complex method to procure and deliver such items." If it is helpful in getting past this obstacle of the hostages, we are prepared to go forward as requested by [REDACTED] if your leadership is ready. We are prepared to go forward with those items which are already prepared for shipment, i.e., additional HAWK missile spares and TOWs and with prices that are well understood in advance."

A discussion of the pricing then ensued and the price list was given to [REDACTED] which he said he understood and so did [REDACTED]. North then noted that we needed to get rid of the hostage issue as soon as possible so that we could proceed on and establish a relationship which we both recognized as necessary and in the interest of both countries. "We recognize that the influence of Iran is indirect in many cases with the groups in Lebanon and we understand it is a difficult issue. We have offered in the past to give Iran credit as a humanitarian gesture if Iran wants this credit. It's an important point and we have to get past it. I want to tell you that with respect to the issue of the Da'wa prisoners held in Kuwait, we cannot go back to the Government of Kuwait on this issue. But I believe that the Government of Kuwait is prepared to release prisoners in a phased way if the Government of Iran goes privately to Kuwait and promises them no terrorism. This seems reasonable -- you should do it. I've been told to reassure the Government of Iran, moreover, that the U.S. citizen, John Pattis, has never been an employee of the United States Government. We did talk to him quite openly, as we talk to many travellers, but he is not a spy and he's not employee of the CIA and he's never employed by the Government of the United States."

A short break was then taken and the meeting reconvened without [REDACTED] and without Hakim at 1525 hours.

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North pointed out that in regard to [redacted] list of equipment, "most of these items would have to come by ship because they are very big and heavy and only a few could come by aircraft." We need to exchange intelligence by courier. [redacted]

[redacted] We need some time to work this up, but we can do it and would be willing to do it if we can come to some understanding with the Government of Iran. [redacted]

[redacted] And, two, the Soviet propaganda organs would publicize our activities and cause great difficulties for both sides. We understand that you're prepared to go ahead and make transfers of money immediately in order to start shipment; but the U.S. is much more interested in doing it right than in doing it too fast."

[redacted] then stated that trying to get close to Western governments has created certain problems for his group in Tehran. [redacted]

North then stated that we have differences, great differences here. "The situations are not the same. Our President is not running for re-election, as you know. There are two years left in his term and he is sincerely interested in changing the course of history with the U.S.-Iranian relations. He has close advisors and aides, who have seen much of war, and they want to see the war out there ended. There is no effect whatever on American elections, and these hostage issues, as you can see, seldom even make the newspapers. Ronald Reagan would like to end this Iran-Iraq war and you might remember that we talked last night about the United States had a long history of acting as a peacemaker. The United States always has great concern for the suffering of people and we know of the impact of this war overall on Iran."

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[REDACTED]

Iran also wants an honorable peace. In return, he expects that Iran will designate three very senior people to go to joint committee meetings. "We could have this joint committee meetings, if you want, by sending a letter to us [REDACTED]. We could also always meet under the cover of a UN meeting. I guarantee you one thing though that I will look into this matter of help to Nicaragua immediately; and, if there is such a thing going on, I will stop it immediately. Again I say I will only use a courier until we can establish secure communications -- until we can set-up these committee meetings." After the meeting, he wanted Secord to be available to talk to him some more. He states further that he will be giving a weekly report on the conditions of the hostages and is now certain that he can bring enough pressure to bear to get them released. He will give us at least two days warning before they're released. He hoped that the U.S. can play a predominant role in achieving a peace in Lebanon. "Iran agrees completely with respect to an honorable peace with Iraq; however, Saddam Hussein must go from the Iranian point of view." He knows that it is not our policy, but he knows that we can bring our influence to bear with certain friendly Arab nations and it is "within the power of the Arab nations to get rid of Saddam Hussein."

[REDACTED]

At this point, at 1730 hours, we agreed to summarize the two days of meetings. [REDACTED] stated that he wanted to:

- "A. Take steps to form a small staff in Tehran for this project.
- B. Make instructions for the transfers of monies after lists are checked and agreed to.
- C. Inform his leadership about the Voice of America.
- D. Clear the way for the release and form a game plan for the hostages.
- E. As soon as possible, have a joint committee meeting which he, [REDACTED] would attend. And, hopefully within a week or ten days, this could be arranged."

North interjected that he agreed with this summary, but that added the point about the Da'wa hostages and Kuwait and Kuwait's desire for a guarantee against terrorism. [REDACTED] took note of this

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as well. [redacted] closed the session by stating his great appreciation for the hospitality which had been showed by him and North and by all concerned. And, then agreed to establish a brief, very, very brief, ops code for use on the telephone -- simply for the purpose of establishing a place and time of meeting for the joint committee meeting. The meeting ended at 1800 hour.

Comment: During several asides with [redacted], Sam's perception of [redacted] estimate of the two days of discussions is that while [redacted] and we both thought considerable progress was made, [redacted] wanted to discuss the results of the meetings in Washington with responsible officials in Tehran before recommending specific actions and steps be taken. Specific proposals will come at the next meeting with [redacted] and, being Iranian, they will probably be gaged to further tests and assess our sincerity,

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October 14, 1986

S/CT PRESS GUIDANCE**LEBANON HOSTAGES: "NEWSWEEK" STORY**

Q: Any comment on the "Newsweek" story entitled "America's Forgotten Hostages?"

A: -- WE RECOGNIZE THAT THE FAMILIES OF THE AMERICAN HOSTAGES HAVE BEEN PUT THROUGH AN AGONIZING AND EMOTIONAL ORDEAL, AND WE DEEPLY SYMPATHIZE WITH THEM.

-- THE IMPLICATION IN THE "NEWSWEEK" STORY THAT THE UNITED STATES HAS FORGOTTEN THESE HOSTAGES IS WRONG. THE ADMINISTRATION IS DOING ALL THAT IT CAN TO SECURE THE SAFE RELEASE OF THESE AMERICANS, AND WE CONTINUE TO WORK HARD AND FOLLOW EVERY LEAD ON THIS PRIORITY ISSUE.

Q: Have the hostages been beaten?

A: -- WE HAVE HEARD REPORTS OF BRUTALITY BY THE KIDNAPPERS. WE REPEAT THAT WE HOLD THE KIDNAPPERS FULLY RESPONSIBLE FOR THE SAFETY OF ALL THE AMERICANS WHO ARE HELD.

we know where the hostages are?

A: -- WE DO NOT KNOW WHERE THE HOSTAGES ARE AT THIS TIME.

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Partially Declassified / Released on 1/24/88
under provision of E.O. 12356
by B. Rogers, National Security Council

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Q: Can you confirm that the kidnapers belong to the Mugniyah family, part of the Musawi clan, and that some of the prisoners they want released from Kuwait are their cousins?

A: -- WE ARE AWARE OF A POSSIBLE FAMILY CONNECTION BETWEEN THE KIDNAPPERS AND SOME OF THE PRISONERS THEY WANT RELEASED FROM KUWAIT. (No further comment on this.)

Q: Would the kidnapers settle for the release of three Lebanese Shiites held by Kuwait instead of all 17 Dawood prisoners?

A: -- THE KIDNAPPERS DO NOT RESPOND TO OUR LONGSTANDING OFFER OF DIRECT DISCUSSIONS. BECAUSE OF THEIR REFUSAL, WE REMAIN UNAWARE OF ANY CHANGE IN THEIR DEMANDS. -- THE QUESTION IS NOT WHETHER WE WOULD SEEK THE RELEASE OF 3 OR 17 PRISONERS. WE WILL NOT NEGOTIATE THE EXCHANGE OF INNOCENT AMERICANS FOR THE RELEASE FROM PRISON OF TRIED AND CONVICTED MURDERERS HELD IN A THIRD COUNTRY, NOR WILL WE PRESSURE OTHER NATIONS TO DO SO. TO MAKE SUCH CONCESSIONS WOULD JEOPARDIZE THE SAFETY OF OTHER AMERICAN CITIZENS AND WOULD ONLY ENCOURAGE MORE TERRORISM.

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Q: Did the U.S. ever demand that the families keep quiet or the hostages would be killed?

A: - WE HAVE NEVER DEMANDED THAT THE FAMILIES REMAIN SILENT. WHAT WE HAVE TRIED TO STRESS IN MEETINGS WITH THE FAMILIES IS THAT PUBLIC DISCUSSION OF OUR EFFORTS TO GAIN THE HOSTAGES' RELEASE COULD LEND ENCOURAGEMENT TO THE KIDNAPPERS IN LEBANON THAT THE U.S. MIGHT SUCCEED TO THE PRESSURE AND TO CRIMINALS ELSEWHERE AROUND THE WORLD THAT AMERICANS ARE FAIR GAME.

Q: Did the U.S. tell Peggy Say during the TWA 847 hijacking "not to even ask for Terry and the others (hostages), and don't say anything to connect your hostages to the TWA ones?"

A: ~~DURING THE TWA HIJACKING, THE DEPARTMENT WAS OPERATING A 24 HOUR TASK FORCE, AND WE DON'T KNOW WHO HAS EVER SPOKEN WITH HER, SAY AT THAT TIME.~~ [THE FACT IS THAT] EACH GROUP OF HOSTAGES WAS BEING HELD INDEPENDENT OF THE OTHER GROUP, AND THE U.S. WAS WORKING TO RESOLVE BOTH SITUATIONS SEPARATELY. WE HAD HOPED THAT THE TWA INCIDENT COULD BE USED AS A CATALYST TO FREE ALL THE REMAINING HOSTAGES, AND WE WORKED AT THE HIGHEST LEVELS TO BRING THAT ABOUT. UNFORTUNATELY, WE WERE UNSUCCESSFUL.

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- 4 -

N 2835

Q: Did the U.S. ever withhold from the hostage families letters written by the hostages?

A: -- WE HAVE NEVER WITHHELD SUCH LETTERS FROM THE HOSTAGE FAMILIES.

Q: Did Libya purchase and subsequently murder three hostages following the U.S. military strike in April?

A: -- THAT REPORT IS NOT NEW. FOLLOWING THE MURDER OF TWO BRITISH HOSTAGES IN APRIL, BRITISH FOREIGN SECRETARY...
HOWE PUBLICLY IMPLICATED LIBYA.

Drafted: S/CT:JReap
Doc. 0018J
Cleared: S/CT:LPBremer
S/CT:PMBorg
CA/OCS:JAdams
NEA/ARN:JMcVerry
NEA/PIABerger

HA 3 1 79

NAME ALL THE

THE HIGHEST 207

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14-225+226

Kia To meet w/ [redacted] 225-226

Tell him:

- we contacted at highest level
- committed to clean up mess
- wants warrent to fly in.
- Guy [redacted] is big problem
- Israelis are willing to pay 13k apiece for Tower
- we should continue to get Tower at Israel
- Israelis are still owed money for base deal:
 - Israeli paid \$1.5m for tower, etc.
 - saying they are owed \$2.5m
- need to grab fuel for
- Ray Ray, et al
- Rob w/ Const. Fee is
- lack of credibility for
- need for private charges
- (was "merchandise fees")

444

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22 Oct 0 2559

- Best way to recap funds
to pay off forward, et al
is to overcharge on
subsequent deliveries

- Did to tell [redacted] about
undercharge

• Don't want to slow this
down

• Price for this first shipment
is U.S. will fine

• Next shipment will have
to be higher (\$10K or
or we cannot do...

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Partial Declassification Request in 1/26/88
under provision of E.O. 12958
by R. Berger, National Security Council

(4448)

14-231-234

CLASSIFIED AT TIME OF PUBLICATION.

14-235

Q 2593

14/235

Declassified / Released on 1-28-88
 under provisions of E.O. 12356
 of B. Regel, National Security Council

(4797)

4 100 06

Montepari

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- Flag the blackness: story -
to preserve Iranian
- Trying to establish a relationship
in a positive context.
- change or face now -
slow down to preclude having
the Iranian make another.
- Internal divergence in Tehran
creates likelihood that
opposition elements will leave.

☐ Call Albert back up
 Tow possible prices.
 (Adams)

☐ Number Color.

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14-236+237

CLASSIFIED AT TIME OF PUBLICATION.

Chapter 14
Footnotes 239-240

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C - 256

((TAPE A7))

14-239+240

((BEGINNING OF TAPE CONTAINS UNINTELLIGIBLE EXCHANGES BY U.S AND IRANIAN TEAM MEMBERS. THE QUALITY OF THE ENTIRE TAPE IS VERY POOR.))

- IM: THERE ARE 26 MURDER CASES
- E: 26 PEOPLE HAVE BEEN ON TRIAL ((FEW WORDS MISSED))
- (M: OPEN TRIALS ((FEW WORDS MISSED)).
- "H: IS THIS IN IRAN?

M:

- M: ((INTERPRETS)) TWO NEW POINTS ((FEW WORDS MISSED)) THEY WERE ACCUSED OF BEING CIA'S AGENTS IN ((FEW WORDS MISSED)).

- M: ((INTERPRETS)) HE WAS ELABORATING THAT THERE IS NO ((FEW WORDS MISSED)).

- H: WHAT WAS THE RELATIONSHIP BETWEEN THE ((WORD MISSED)) AND THE DAHA TOWARD THE HIZBALLAH?

- 1: ((INTERPRETS AFTER ASKING [REDACTED]) HIZBALLAH BASICALLY IS UNDER THE CONTROL OF THE IRANIAN GOVERNMENT. THE IRANIAN GOVERNMENT, ((FEW WORDS MISSED)). NOW THERE IS WITHIN THE HIZBALLAH, THERE IS A FACTION THAT ARE THE RADICALS AND THOSE ARE CONNECTED TO, DEFINITELY, [REDACTED] AND, IN FACT THEY PUBLISHED A NEWSPAPER, AN [REDACTED] IN A NEWSPAPER THAT, UH, AMERICA AND ((FEW WORDS MISSED)).

- 1: ((INTERPRETS)) THEY ARE SUSPECTING THAT THE LAST TWO HOSTAGES WERE TAKEN BY THESE RADICALS. THEY CAN NOT CONFIRM IT. THEY ARE IN THE PROCESS OF QUESTIONING A NUMBER OF PEOPLE. ((PORTION MISSED.))

- YOU HAD ASKED EARLIER WHAT IT IS WE REALLY WANT. WHAT WE WANT TO DO IS WE WANT TO GET BACK ON TRACK IN A RELATIONSHIP WITH YOUR GOVERNMENT.

- ((INTERPRETS))

- WE WANT TO HAVE A PROPER RELATIONSHIP, THAT IS, A COOPERATIVE RELATIONSHIP BETWEEN OUR TWO GOVERNMENTS.

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4449

By B. [REDACTED] 1/26/80
[REDACTED] 1/26/80
[REDACTED] 1/26/80

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TAPE A3

C 292

(MEETING AT MAINZ, W. GERMANY, 29-30 OCTOBER 1936)

HAKIM: ((INTERPRETS IN PERSIAN)) AND IF THEY ARE NOT SUCCESSFUL, THEY WILL LEAVE THIS CHANNEL; THEY WILL PURSUE ((WORD MISSED)) CHANNEL. IF THEY DON'T GIVE THEM A ((POSITIVE)) REPORT BY SUNDAY, THEY WILL ABANDON THIS ROUTE.

AVE: ((IN PERSIAN)) I'D LIKE TO ADD SOMETHING. SINCE ((FEW WORDS MISSED)) FOR SEVERAL MONTHS, WE KNOW THAT IF WE DO NOT COMPLETE THIS, ALL THE ((FEW WORDS MISSED))

AVE: ((IN ENGLISH)) I TOLD THEM THAT ((FEW WORDS MISSED)) IF WE ARE NOT SUCCESSFUL, AND THIS CHANNEL IS ((FEW WORDS MISSED)), THEN ALL THIS WORK WE'VE DONE...

ORTH: AND IT WILL TAKE A YEAR...

HAKIM: ((INTERPRETS IN PERSIAN)) HE WAS EXPLAINING THAT IF WE ARE NOT SUCCESSFUL, NOT ONLY WILL THIS GROUP'S WORK COME TO AN END AND ((FEW WORDS MISSED)), BUT GROUPS IN THE FUTURE WHICH WANT TO MAKE CONTACT WILL USE THIS AS AN EXAMPLE--THAT IRANIANS ARE NOT RELIABLE?. THIS WILL BE STUDIED.

█ & HAKIM:

AVE: ((IN PERSIAN--UNINTELLIGIBLE))

ECORD: WHAT NORTH IS GETTING AT IS WE ARE GOING DOWN IN THE STEPS NOW--THE NINE POINTS. WE'RE GOING TO VERY QUICKLY... WE EXPECT THEM TO MOVE? VERY QUICKLY SO THAT WE CAN MOVE TO THE NEXT STEP, AND THE NEXT STEP, AND THE NEXT STEP AND THERE WON'T BE ANY COMPOSITION.

HAKIM: ((INTERPRETS))

Partially Declassified - Released on 7/26/82
under provision of E.O. 12356
by B. Jeger, National Security Council

4450

HAKIM: ((INTERPRETS)) IF YOU DON'T HAVE ANY MORE ISSUES ON YOUR SIDE, HE LIKES TO LET ME EXPLAIN WHAT'S HAPPENING IN THEIR SIDE

ORTH: WELL, I DO WANT TO HEAR THAT. LET ME JUST MAKE ONE POINT ABOUT THAT... HE ((HAKIM)) WORKS FOR ME--YOU ((AVE)) TRANSLATE THIS--HE WORKS FOR ME AS A CONSULTANT. I DON'T KNOW THE FARSI WORD FOR CONSULTANT, BUT AS A PART-TIME CONTRACT EMPLOYEE.

AVE: ((INTERPRETS))

ORTH: HE HAS BEEN THIS FOR FOUR, FIVE YEARS. FOR ME SINCE I HAVE BEEN AT THE WHITE HOUSE--IN THE PRESIDENT'S OFFICE. HE DOES TRANSLATIONS. THE VOA BROADCASTS IN FARSI, WHICH YOU ASKED FOR, AND WE GAVE. HE TRANSLATED THOSE FROM MY ENGLISH TO FARSI

AVE: ((INTERPRETS))

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SECOND: AND IF WE FAIL, WE'RE GOING TO SHOOT HIM, BECAUSE SOMEBODY HAS TO GO. LIKE IN IRAN, SOMEBODY HAS TO BE SHOT.

HAKIM: ((INTERPRETS))

C 293

NORTH: I DON'T BELIEVE IT THAT ((WORD MISSED)) SAID THAT.

CAVE: ((IN PERSIAN)) MR. NORTH AND I ARE LUCKY. THEY WON'T SHOOT US, WE'LL JUST GO TO JAIL.

CAVE: ((INTERPRETS IN ENGLISH))

NORTH: FIRED.

SECOND: THE PRESIDENT MAY SHOOT NORTH.

HAKIM: OK, HE WANTS TO EXPLAIN HIS CASE.

HAKIM: ((INTERPRETS)) I HAVE ADDRESSED THIS ISSUE EARLIER THAT? HE'S BRINGING UP. HE WANTS TO CLARIFY HIS POSITION THAT PEOPLE BACK HOME BELIEVE THAT A LOT OF TIMES HE TALKS ABOUT THINGS WHICH HE SHOULD NOT TALK ABOUT. THEREFORE, IT IS VERY IMPORTANT THAT WHATEVER HE TELLS US SHOULD NOT GET INTO THE OFFICIAL CHANNELS AND GET BACK TO THEM? BECAUSE THAT WOULD MAKE LIFE MISERABLE FOR HIM AND DIFFICULT FOR HIM. HE HAS NO FINANCIAL INTEREST ((FEW WORDS MISSED)) ONE OBJECTIVE IS TO MAKE SURE THAT THIS THING IS GOING TO ((FEW WORDS MISSED)). HE HAS FULL TRUST IN THIS GROUP, ESPECIALLY IN GENERAL SECOND. HE HAS BEEN VERY TRUTHFUL WITH HIM, VERY HELPFUL, AND HE WANTS TO SEE THAT SOMETHING GOOD IS GOING TO COME OUT OF THIS. THEREFORE, PLEASE, WHATEVER HE DISCUSSES SHOULD NOT LEAVE THIS ROOM SO HE WILL FEEL COMFORTABLE TO BE ABLE TO GET BACK TO US ((TRAILE OFF)). I DISCUSSED THAT EARLIER THIS WEEK ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) HE SAYS YOU HAVE TO UNDERSTAND THAT IRAN JUST FINISHED ((FEW WORDS MISSED)) AND SETTING IMAN KHOMEINI ASIDE, THE COUNTRY IS MANAGED BY SHAREHOLDING ((WORD MISSED)) AND ONCE YOU PUT KHOMEINI ASIDE, THERE ARE A NUMBER OF PEOPLE INVOLVED.

AND HAKIM:

HAKIM: ((INTERPRETS)) THERE ARE THREE BASIC GROUPS OF THIS SHAREHOLDING COMPANY. THEY ARE MINOR SHAREHOLDERS. ONE IS THE RADICALS, AND THEY ARE ((WORD MISSED)) RADICAL AND ((WORD MISSED)) RADICAL WITHIN THE SAME ... THEN THE THIRD GROUP IS THE RIGHT-WING. AND THEN THERE'S TWO ((FEW WORDS MISSED)) WHO IS HEADED BY HASHEMI-RAFSANJANI, AND NOT ONLY DO THEY FOLLOW THEIR OWN LINE, BUT THEY ARE ALSO THE CONNECTION IN BETWEEN THE FIRST AND THE THIRD GROUP.

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((SECOND MAKES A PHONE CALL, BLOCKING OUT MOST OF SEVERAL MINUTES OF DISCUSSION BETWEEN THE U.S. AND IRANIAN TEAMS))

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~~NOT~~

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HAKIM: ((INTERPRETS)) HE WANTS YOU TO UNDERSTAND THAT THE PRINCIPLE ... THESE THREE GROUPS HAVE THE SAME OBJECTIVE AND THEY ALL AGREE IN THE SAME WAY; WHEN IT COMES TO ACTUAL EXECUTION, THEY HAVE DIFFERENT APPROACHES. AND THEY ARE NOT PURELY POLITICAL ((FEW WORDS MISSED)) RELIGIOUS ((FEW WORDS MISSED)).

C 294

HAKIM: ((INTERPRETS)) AS YOU PROBABLY KNOW, IMAM KHOMEINI HAS ISSUED DECREES ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) IN PUBLIC OPINION HE ((RAFSANJANI)) IS CONSIDERED THE SECOND MAN, SECOND IN COMMAND, BASICALLY BECAUSE OF THESE ((WORD MISSED))

HAKIM: ((INTERPRETS)) WHEN [REDACTED] RAISED THE ISSUE OF ESTABLISHING RELATIONS WITH THE U.S. HE WAS IN FAVOR OF IT, BUT FOR HIS OWN POLITICS HE DECIDED TO GET ALL THE GROUPS INVOLVED AND GIVE THEM A ROLE TO PLAY.

WORTH: WAIT A MINUTE, WHO'S 'HE'?

HAKIM: RAFSANJANI.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW WHO [REDACTED] IS [REDACTED] WORKS FOR [REDACTED] BELONGS TO THE RADICAL GROUP, THE RADICAL GROUP THAT THEY WERE THE UNIVERSITY STUDENTS WHO TOOK THE HOSTAGES IN IRAN. THAT'S THAT GROUP

AND HAKIM:

HAKIM: ((INTERPRETS)) WHEN [REDACTED] CONTACTED [REDACTED] IN THIS APPROACH TO ESTABLISH A RELATIONSHIP WITH THE U.S., HE, [REDACTED] ASKED FOR REPRESENTATIVES OF THE THREE GROUPS TO BE PRESENT AND PARTICIPATE IN THIS ACTION, AND ((TWO WORDS MISSED)) SUPPORT. IN OTHER WORDS THIS IDEA OF HAVING ALL GROUPS PARTICIPATE IN THIS IS NOT NEW, IT DATED BACK A LONG TIME AGO, AND STILL HE'S GOING TO EXPLAIN MORE AND STILL STICKING TO IT

HAKIM: ((INTERPRETS)) THIS ISSUE AS YOU CAN VERY WELL UNDERSTAND IS VERY SENSITIVE. [REDACTED]

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HAKIM: ((INTERPRETS)) THIS APPROACH OF [REDACTED] WAS A DOUBLE-EDGED SWORD--AND POSITIVE AND NEGATIVE POINTS ... THE POSITIVE POINT ... BEING THAT IF IT WOULD BE A FAILURE AND ALL PARTIES ARE INVOLVED SO THERE WOULD NOT BE AN INTERNAL WAR, AND THE NEGATIVE PART IS THAT BECAUSE DIFFERENT VIEWS AND OPINIONS ARE UNDER THE SAME ROOF.

PUMDANT

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IT'S VERY DIFFICULT TO MANAGE.

SOUNDS LIKE HOME.

C 295

((INTERPRETS IN PERSIAN. LAUGHTER.))

THE DIFFERENCE IS, IF THIS ONE FAILS, ONLY I GET FIRED. ((LAUGHS))

((INTERPRETS IN PERSIAN))

((INTERPRETS)) HE DOESN'T WANT TO GET INTO DISCUSSING THIS, BUT ALL THESE EFFORTS LED TO THE VISIT OF MCFARLANE, WHICH WAS CONSIDERED A TOTAL FAILURE, AND THE REASON FOR THAT--YOU CAN ANALYZE IT YOURSELF--((FEW WORDS MISSED)) YOU CAN CONSIDER ((FEW WORDS MISSED)) AND THEIR ANALYSIS SHOWS OPPOSITION IN THE U.S. --ALL THESE ISSUES CAUSED IT TO FAIL.

2. HAKIM:

((INTERPRETS)) [REDACTED] HAD TOLD HIM THAT THE ISRAELIS ARE PARTICIPATING AND HE SAID THAT HE DIDN'T KNOW FROM THE BEGINNING AND JUST FOUND OUT, AND THAT CREATED A LOT OF

((INTERPRETS)) A COMBINATION OF MANY THINGS THAT CAUSED THAT ((FEW WORDS MISSED)). I ASKED HIM HOW DID YOU KNOW ABOUT THE ISRAELIS? [REDACTED] BROUGHT IT

BUT [REDACTED] ONLY RECENTLY BROUGHT IT

((INTERPRETS FOR [REDACTED]))

((INTERPRETS)) AFTER THE CAT WAS OUT OF THE BAG, I JUST FOUND THAT HE WAS TRYING TO? ((FEW WORDS MISSED)) I JUST FOUND OUT IF ((FEW WORDS MISSED)).

((INTERPRETS)) [REDACTED] IS PORTRAYING THAT GHORBANIFAR HAS A HELL OF A LOT OF INFLUENCE WITH US ((THE AMERICANS)), STILL, AND STILL [REDACTED] IS PUSHING FOR GHORBANIFAR, SAYING THAT WE SHOULD KEEP GHORBANIFAR IN THIS BECAUSE HE IS A SECURITY VALVE FOR US. IF SOMETHING SHOULD GO WRONG WITH THIS CHANNEL, WE CAN ALWAYS TURN GHORBANIFAR ON AND HE CAN FIX THINGS.

((INTERPRETS)) HE SAYS SINCERELY [REDACTED] BELIEVES--IT'S HIS HONEST OPINION, IT'S NOT A BIASED OPINION--THAT GHORBANIFAR CAN DO, UNOFFICIALLY, THINGS THAT HE CANNOT DO OFFICIALLY.

((HAKIM SAYS THAT ONE OF THE IRANIANS IS OLD. DOOR IS SHUT, WINDOW CLOSED.))

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HAKIM: ((INTERPRETS)) HE HAS TOLD [REDACTED] THAT 'YOU ARE WRONG.' AND HE GOES AND SEES THE AMERICANS. HE GOES WITH YOUR NAME AND AT YOUR STRENGTH—HE HIMSELF HAS NO STRENGTH WITH AMERICANS--((FEW WORDS MISSED)) BUT GHORBANIFAR HAS A LOT OF INFLUENCE WITH AMERICANS.

NORTH: HE HAS NO INFLUENCE WITH AMERICANS. I MEAN WE'RE THE AMERICANS TO BE TALKED TO.

HAKIM: ((INTERPRETS))

C 296

HAKIM: ((INTERPRETS)) HE IS USING GHORBANIFAR AS THE ?QUALITY? PERSON. ((FEW WORDS MISSED)) THE FACT THAT GHORBANIFAR WAS THE ONE WHO PLANNED [REDACTED]

SECOND: ((TO NORTH)) [REDACTED]

NORTH: HMM.

HAKIM: ((CONTINUES INTERPRETING)) AND HE ALSO PROMISED THE IRANIANS THAT HE WOULD CAUSE [REDACTED] NOT TO MAKE ONE MOVE, AND INDEED THEY DID NOT MAKE ONE MOVE

S: HAKIM:

HAKIM: ((INTERPRETS)) [REDACTED] SHOWS THIS AS A POINT OF STRENGTH OF GHORBANIFAR IN THE WESTERN WORLD. HE PLANNED [REDACTED] HE KEPT [REDACTED] OUT, AND THEY WERE THERE ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) HE SAYS THAT HE WAS SO CONVINCING THAT HE STARTED TO BELIEVE HIM THAT HE REALLY IS SUCH A POWERFUL MAN.

NORTH: I REGARD HIS POWER TO BE PURELY NEGATIVE

HAKIM: ((INTERPRETS))

NORTH: IN THIS PARTICULAR RELATIONSHIP BETWEEN THE U.S. AND IRAN, HE CAN DO NOTHING TO HELP IT ALONG.

HAKIM: ((INTERPRETS))

NORTH: BUT HE HAS THE POWER TO DO MUCH DAMAGE TO IT BECAUSE OF HIS KNOWLEDGE

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ALREADY SEEN EVIDENCE OF THAT, AND THAT HE BELIEVES-- GHORBANIFAR BELIEVES HE HAS NOT BEEN PAID THE FULL AMOUNT BY IRAN AND HE IS THREATENING TO MAKE PUBLIC THE EARLIER TRANSACTIONS...

HAKIM: ((INTERPRETS))

((PORTION OF CONVERSATION UNINTELLIGIBLE.))

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C 297

HAKIM: ((INTERPRETS)) I HAVE NOT FORGOTTEN THE STATEMENT YOU MADE, BUT THIS IS VERY IMPORTANT. MR. HASHEMI-RAFSANJANI HAS PROPOSED AND THEY BELIEVE THIS IS A GOOD THING TOO AND THAT THE ((PORTION UNINTELLIGIBLE)) A COUPLE OF MONTHS AND SEE WHAT HAPPENS. THE REASON THEY HAVE NOT DONE THIS THING IS BASED ON WHAT HE TOLD ME THAT HE HAS DONE--((FEW WORDS MISSED)) DOCUMENTED ((FEW WORDS MISSED)) UNIVERSITY PROFESSOR AND SO FORTH, THAT WE ARE CONCERNED ABOUT THIS. HE SAYS THEY ARE OF THE OPINION, WHETHER THEY ((ONE WORD MISSED)) OR NOT, HE IS GOING TO DO IT ANYWAY.

SCAVE? IF THEY COULD BRING HIM FASTER? A COUPLE OF MONTHS, IT WOULD BE GOOD.

NORTH: HE HAS ALREADY GIVEN THE INFORMATION TO ANOTHER MAN IN THE U.S. IF GHORBA DISAPPEARS...

HAKIM: HE'S NOT TALKING ABOUT DISAPPEARING. HE'S GOING TO BE WORKING. HE'S GOING TO BE KEPT THERE AND THEN HE'S GOING TO BE WORKING AND ((ONE WORD MISSED.)) HE'S GOING TO BE CALLING, TALKING, DOING THE WHOLE THING

NORTH: THAT'S FINE. AND IF GHORBA...

HAKIM: THEY'RE NOT TALKING ABOUT...

NORTH: ...INJURING HIM.

HAKIM: YEAH.

NORTH: WHAT I AM TALKING ABOUT IS THE PERCEPTION, RIGHT OR WRONG, THAT GHORBA OWES SEVERAL OTHER PEOPLE MILLIONS OF DOLLARS. THAT'S WHY THEY'RE GOING TO TALK. IF GHORBA IS SEEN BY THEM TO HAVE DISAPPEARED, WE'RE LIABLE TO HAVE AN EVEN BIGGER PROBLEM

SECOND: WHY DON'T THEY PAY THEIR BILL?

HAKIM: DO YOU WANT ME TO ASK HIM, OR DO YOU WANT ME TO TELL YOU I KNOW

SECOND: CAN WE ASK HIM WHY THEY DON'T PAY THE BILL?

HAKIM: YES. I THINK SO. LET ME TELL HIM WHAT HE SAID AND THEN. ((FEW WORDS MISSED.)) CORRECT. ((FEW WORDS)) OWE HIM 10 MILLION DOLLARS BUT IT IS NOT...

NORTH: ((LAUGHS)) GHORBA'S GOT MORE CREDIBILITY THAN HE EVER DESERVED

SECOND? NO, HE SAYS 10.

HAKIM: NO. IT'S 10, THEN HE HAS TO DELIVER FREE THE 1000 FREE TONS IT'S NOT ALL THAT ...

SECOND? LET'S SAY? HE LIED.

HAKIM: GENTLEMEN, LET ME TRANSLATE. ((GOES INTO PERSIAN))

SECOND? WHAT THE HELL DOES HE SAY?

HAKIM: HE IS SAYING THAT [REDACTED] HAS GOT THE MONEY...

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C 298

HAKIM: ((INTERPRETS)) [REDACTED] AFTER HE LEARNED WHAT THE REAL PRICE IS, HE KEPT THE MONEY. HE SAID BECAUSE ((FEW WORDS MISSED))

HAKIM: THE HAWK SPARE PARTS, WHICH THEY HAD CHARGED THEM 8 MILLION DOLLARS FOR THE 2.7 ((MILLION)). THEY CHARGED THE IRANIANS EIGHT.

SECOND: NO, NO, NO, NO, NO. THIS IS THE SECOND EXAMPLE.

CAVE: THE SECOND. IT IS NOT THE FIRST SHIPMENT. HE HAD TOLD THEM IT WAS 8 MILLION. THEN WHEN WE GOT THE BILL. WHEN WE GAVE THEM THE BILL FOR WHAT IT WAS... ((FEW WORDS)) 2.7, GHORBANIFAR HAD ALREADY TOLD THEM IT WOULD COST THEM 8 MILLION.

SECOND: SO, HE'S A BUSINESSMAN.

HAKIM: ((INTERPRETS IN PERSIAN FOR [REDACTED] THEN SAYS)) I HAVE TOLD HIM THAT OUR OPINION IS, AND WE HAVE DISCUSSED IT IN THE PAST, THAT HE SHOULD BE PAID.....

SECOND: HE SHOULD BE PAID AT LEAST SOMETHING RIGHT AWAY...

CAVE: TO KEEP HIM QUIET.

NORTH: WELL, QUITE FRANKLY, I DON'T GIVE A SHIT IF HE GETS PAID. WHAT I'M MORE INTERESTED IN IS THAT THE PEOPLE TO WHOM HE OWES MONEY GET PAID.

SECOND: DO WE KNOW HOW MUCH THAT IS?

NORTH: WELL, I THINK WE DO KNOW.

SECOND: HOW MUCH IS THAT?

CAVE: IT'S ABOUT... WELL, WE DON'T KNOW WHAT HE OWES, BUT FOR THE LAST DEAL... FOR THE SHIPMENT OF THE ORIGINAL PARTS, HE OWES THEM 10 MILLION.

HAKIM: THAT'S ALL THEY ((THE IRANIANS)) OWE HIM. THAT'S ALL THE MONEY THEY OWE GHORBANIFAR. TEN MILLION. I HAVE HEARD THIS...

NORTH: SEE, THAT WOULD MAKE SENSE, BECAUSE GHORBANIFAR WENT OUT AND BORROWED 15 MILLION DOLLARS. HE PAID OFF THE ONE GUY--A EUROPEAN-- AND HE STILL OWES THE CANADIANS TEN. AND THAT WOULD MAKE SENSE.

HAKIM: ((INTERPRETS))

SECOND: ARE YOU SAYING THEY SHOULD PAY US AND WE PAY THE BANK?

NORTH: I DON'T WANT TO GET IN THE MIDDLE OF THIS. ((FEW WORDS)) THEY DIRECTLY GET TOLD? ROY TO SHOW UP SOMEWHERE, AND GET US THE HELL OUT OF IT.

((END OF TAPE A3))

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((TAPE A4))

C 299

HAKIM: ((INTERPRETS)) UNTIL A FEW DAYS AGO, BASED ON PREVIOUS ARRANGEMENTS, [REDACTED] HAD PROMISED THEM THAT HE WOULD APPROACH THIS IN A VERY PROPER WAY AND HANDLE IT VERY CORRECTLY. AND THEY HAD DECIDED TO KEEP THIS AWAY, SECRET FROM MOST OF THE PEOPLE, AND HE PERSONALLY COORDINATED WITH A NUMBER OF THE PEOPLE, BUT HE DOESN'T BELIEVE IT'S THE RIGHT TIME FOR HIM TO RELEASE THEIR NAMES. AND BROUGHT IT TO THE POINT THAT ((FEW WORDS MISSED)) AND ONLY TWO DAYS AGO THAT [REDACTED] SAID THAT WE THINK IRAN HAS REACHED THE STAGE THAT WE SHOULD RETURN TO OTHER PEOPLE AS WELL

HAKIM: ((INTERPRETS)) IT GOT TO THE POINT THAT IT WAS DIFFICULT TO KEEP IT SECRET BECAUSE, FOR INSTANCE, [REDACTED] COULD HAVE FOUND OUT ABOUT THEIR TRYING TO GET 10 MILLION DOLLARS OUT ((FEW WORDS MISSED)). THEY HAVE GOTTEN 8 MILLION OUT SO FAR. 4 AND 7 ((FEW WORDS MISSED)). THEY COULD NOT HAVE KEPT THAT A SECRET, SO THEY DECIDED TO BRING EVERYBODY ELSE IN.

HAKIM: ((INTERPRETS)) HIS NAME-- [REDACTED] --IS GOING TO BE GIVEN TO THE DIFFERENT GROUPS. THEY HAVE GIVEN [REDACTED] TO THE DIFFERENT GROUPS THAT HE HAS ((FEW WORDS)) AND THE REASON IS TO ENABLE HIM TO GO FROM ONE GROUP TO THE OTHER AND BE INVOLVED IN THE KIND OF WORK THAT HE CAN DO. NOW, WITH WHAT HAS HAPPENED, WITH THE TONS COMING OUT, THEY ARE GOING TO PRICE IT, BY THE WAY, AT 8 THOUSAND EACH.

ERTH: WAIT A MINUTE I'M CONFUSED WITH THE TONS COMING WHERE?

HAKIM: IRAN. WHICH ARE THERE NOW.

ERTH: THIS ONE.

HAKIM: YEAH. THE MILITARY INTELLIGENCE THAT THEY GOT, AND THAT IN ITSELF IS A REVOLUTIONARY ACTION AND EVERYBODY'S GOING TO GO CRAZY AND BERSERK OVER THIS, BECAUSE IT IS SUCH AN IMPORTANT EVENT IN THIS TYPE OF PICTURE.

RECORD: BUT WHAT'S THE POINT?

HAKIM: I STOPPED, YOU KNOW, I'M TRYING TO TRANSLATE

HAKIM: ((INTERPRETS)) HE IS EXPLAINING WHY THE ARRIVAL OF THE TONS--AND THE MILITARY INFORMATION IS COMPLETELY BACKED UP--FIRST, ONE, [REDACTED] AND HIS GROUP-- [REDACTED] --ARE GOING TO BE TOTALLY ELIMINATED

HAKIM: ((INTERPRETS)) TWO, THIS WILL ESTABLISH THE CREDIBILITY OF THIS CHANNEL AS THE ONLY CHANNEL, AS THEY HAVE BEEN CLAIMING, WHO SHOULD BE CONTACTED

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AKIM: ((INTERPRETS)) HE'S GIVING AN EXAMPLE. HE RAISED THE ISSUE OF THE MILITARY INTELLIGENCE, AND THE PEOPLE DID NOT BELIEVE IT, AND HE CONFIRMED THAT, YES INDEED, THEY BROUGHT IT, AND THEY CANNOT PUT IN WRITING THAT IT'S IMPORTANT TO ((WORD MISSING)) THIS THING OUT, AND ALL THESE ISSUES STARTED THEM TO THINK THAT IT IS ((FEW WORDS)) GROUP.

AKIM: ((INTERPRETS)): HE'S COMING BACK TO THE DISCUSSION THAT THEY STARTED TO DISCUSS AT THE BEGINNING. HE CAN TAKE BACK THE REAL MOTIVATION BEHIND OUR APPROACHING THEM AND REMOVE THE DOUBTS AND DIFFERENT THOUGHTS YOU PEOPLE HAVE, THINGS THAT ((FEW WORDS MISSING)) QUICKLY. THAT IS, HE COULD GO AND SAY THAT, REALLY, THE MAIN THING THAT WE ARE AFTER IS THE ISSUE OF THE HOSTAGES. TO... THEY'LL GET THINGS GOING. AT THIS MINUTE, THEY ARE CONFUSED. THEY DON'T KNOW WHAT WE WANT, AND THEY BELIEVE THAT THERE ARE FOUR OR FIVE OTHER CHANNELS, AND THIS IS ONE OF THEM, AND THERE IS A SCHEME, BUT THEY ARE NOT QUITE SURE WHAT IS HAPPENING.

AKIM: ((INTERPRETS)): HE'S GOING BACK TO THE MAIN DISCUSSION. THE HIGHLY RADICAL IS MONTAZERI... HIS GROUP, IN REFERENCE TO HIS...

AKIM: ((INTERPRETS)): WHAT [REDACTED] IS DOING HERE... I THINK I'M BEGINNING TO UNDERSTAND WHAT HE'S DOING. HE'S TRYING TO EXPLAIN WHAT HAS HAPPENED SINCE HE LEFT US. THERE ARE MANY DIFFERENT PEOPLE, THEY ARE DOING MANY DIFFERENT THINGS, AND HE'S COME DOWN... HE'S COMING TO THE HEART OF IT NOW... HE WAS CONCERNED THAT THE HIGHLY RADICAL PEOPLE, I.E., MONTAZERI'S GROUP, ((INCIDENTAL DISCUSSION)) HE HAD THE FEAR (THAT) BEFORE THEY GET TO SOME PLACE SOLID, AND IF THE RADICALS, MONTAZERI'S GROUP, WOULD FIND OUT, HE COULD NOT PREDICT WHAT WOULD HAPPEN THEN. ((THE PERSIANS APPARENTLY LEAVE THE ROOM AT THIS TIME))

ORTH: BUT JUST A LITTLE WHILE AGO HE SAID THAT [REDACTED] BROUGHT EVERYBODY IN. ((SIGH)) THAT'S QUITE A PLAIN WAY BACK WHEN [REDACTED] WAS HERE...

AKIM: YES, BUT THEY, THEY BROUGHT HIM IN. THEY TOLD HIM JUST WHAT THEY'RE DOING, BUT THEY NEVER TOLD HIM HOW THEY'RE DOING IT. THAT WAS A POLITICAL MOVE.

ORTH: O.K., BUT I DON'T UNDERSTAND...

AKIM: ((INTERRUPT)): CAN WE AT ONE POINT TAKE A LITTLE TIME AND GET INTO.....

((TIME OUT FOR CHATTER ABOUT ROOMS, MAKING A PHONE CALL, ETC.))

AKIM: I DETECT THAT HE IS... HE'S TRYING... HE'S PUSHING FOR [REDACTED] THE ONLY THING, IT'S UNJUSTIFIED. NOW THAT HE'S SEEN SUCCESS, HE'S TRYING TO.... ((DOESN'T FINISH))

((TIME OUT FOR ANOTHER PHONE CALL))

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((CHATTER ABOUT HOTEL ROOMS, PER DIEM, ETC. PERSIANS BACK IN 301 ROOM NOW. EATING MEAL. SENDING MESSAGES. NORTH EXPLAINS SECURE DEVICE TO THE PERSIANS AND PROMISES TO PROVIDE THEM WITH EVEN BETTER EQUIPMENT AFTER HE PROVES TO HIS BOSS THAT THE CH WORKS.))

((END TAPE A4))

((BEGINNING OF TAPE A5))

NORTH: O.K., YOU WERE TALKING ABOUT...

HAKIM: MR. MONTAZERI.

HAKIM: ((INTERPRETS)): HE'S TRYING TO GIVE YOU VERY IMPORTANT INFORMATION AS TO HOW THEY CAME TO LEARN THAT MONTAZERI KNEW WHY THEY WERE TRYING TO KEEP HIM OUT. HE KNEW THAT. AND HE ALSO IN THIS EXPLANATION IS GOING TO TELL YOU ABOUT THE REST OF ((FEW WORDS)). AFTER IT BECAME KNOWN IN [REDACTED] ABOUT THE EXPLOSIVES, THEY STARTED TO INVESTIGATE TO SEE HOW AND WHO DID IT.

HAKIM: ((INTERPRETS)): THEIR INVESTIGATION SHOWED THAT [REDACTED] WAS BEHIND THIS, AND HE BELONGED TO THE... THE LIBERATION GROUP.

SECOND: THE TERRORIST GROUP.

HAKIM: RIGHT. THAT'S WHAT THEY ARE, BUT HE-- [REDACTED] --WAS IN THE REVOLUTIONARY GUARD. [REDACTED] I'M TRYING TO UNDERSTAND WHAT THAT IS.

SECOND: HE WAS IN [REDACTED]

DAVE: HE WAS [REDACTED]

SECOND: BUT HE'S NO LONGER [REDACTED]

HAKIM: HE WAS NO LONGER...

DAVE: ((IN PERSIAN)) WHAT IS [REDACTED] JOZ NOW?

DAVE: ((INTERPRETS)) HE WAS THE... BUT BECAUSE OF THE WAY HE WAS RUNNING THESE THINGS, TWO YEARS AGO THEY DISMISSED HIM

DAVE: ((INTERPRETS)) BUT HE STILL REMAINS, YOU KNOW, UNOFFICIALLY, AS FAR AS MONTAZERI IS CONCERNED.

HAKIM: ((INTERPRETS)) THEY HAD LEARNED ABOUT THIS THING AND THEY ARRESTED [REDACTED] BUT WHILE DOING THAT, THEY MADE A MISTAKE AND ALSO

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ARRESTED [REDACTED] WHOM THEY RELEASED.

MORTH: WHY WAS HE ARRESTED?

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AKIM: ((INTERPRETS))
[REDACTED]AKIM: ((INTERPRETS)) WHEN THEY WENT TO [REDACTED] HOME TO ARREST HIM, [REDACTED]
WAS ALSO THERE AND THEY ARRESTED HIM AS WELL. [REDACTED] IS ABOUT HIS
AGE AND LOOKS VERY MUCH LIKE HIM. [REDACTED]

ECORD: SO IT WAS A MISTAKE.

AKIM: YEAH, IT WAS A MISTAKE. THEY RELEASED HIM.
[REDACTED]AKIM: ((INTERPRETS)) IMAM KHOMEINI WAS ALWAYS CONCERNED ABOUT [REDACTED]
[REDACTED] GETTING INVOLVED IN THE FOREIGN ACTIVITIES, BUT THEY
COULD NOT PROVE IT UNTIL THIS CAME ABOUT.**UNCLASSIFIED**AKIM: ((INTERPRETS)) WITHOUT COORDINATING THE INFORMATION WITH THE
MINISTRY OF FOREIGN AFFAIRS.
[REDACTED]

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HAKIM: ((INTERPRETS)) IMMEDIATELY AN ORDER WAS ISSUED BY KHOMEINI, ALTHOUGH THIS GUY WAS BEING PROTECTED BY MONTAZERI, TO ARREST HIM.

HAKIM: ((INTERPRETS)) HERE HE WANTS ME TO MENTION ((FEW WORDS MISSED)) ((HAKIM LAUGHS AND SAYS, 'YOU'RE GOING TO LOVE THIS.')) HE SAYS THAT'S TRUE THAT HE IS ARRESTED, BUT THIS IS AS A CONSEQUENCE, A RESULT, OF YOUR DISCUSSIONS WITH MR. MCFARLANE THAT YOU HAVE AGREED TO ARREST HIM.

RECORD: I DON'T UNDERSTAND THAT.

HAKIM: HE'S IMPLYING WHEN MONTAZERI WAS INFORMED THAT [REDACTED] WAS ARRESTED AND THEY EXPLAINED TO HIM WHY HE WAS ARRESTED, HE SAID, 'YES, I KNOW YOU ARRESTED HIM, BUT THE REASON THAT YOU'VE ARRESTED HIM WAS THE RESULT OF YOUR MEETING WITH MR. MCFARLANE. THAT'S WHY HE ...'

HAKIM: HE BELIEVES THAT? MONTAZERI BELIEVES THAT?

HAKIM: THIS IS WHAT HE SAYS. LET'S GET TO THE BOTTOM OF IT.

HAKIM: ((INTERPRETS)) HE ((MONTAZERI)) SAYS, 'YOU WOULD HAVE AGREED WITH THE AMERICANS TO PUT THE RADICAL PEOPLE IN THEIR PLACE, AND THAT'S AS A RESULT OF THAT AGREEMENT.'

RECORD: WHO IS 'YOU,' FARSAJANI? WHO WAS HE TALKING TO?

HAKIM: ((INTERPRETS)) HE PUT THAT IN A LETTER TO IMAM KHOMEINI ((AND MONTAZERI SAID)) 'I MUST UNDERSTAND WHO GAVE THE PERMISSION TO HAVE THE MEETING WITH MR. MCFARLANE.' AND THIS THING WAS STAGED IN SUCH A WAY THAT THE POINT OF THE GUN WAS STUCK AT [REDACTED] ((FEW WORDS MISSED)) AND THE REASON THE GUN WAS POINTED AT HIM WAS BECAUSE [REDACTED] WAS KNOWN TO BE THE VERY STRONG ENEMY OF [REDACTED] ((CONTINUES QUOTING MONTAZERI'S LETTER)) AND I MUST INFORM YOU THAT YOU HAD THIS MEETING WITH MR. MCFARLANE WITHOUT THE PERMISSION OF THE PEOPLE, AND GOD KNOWS WHAT OTHER THINGS YOU GUYS HAVE AGREED ON. ((LAUGHTER FROM AMERICANS.))

RECORD: WAIT A MINUTE, HE'S TELLING KHOMEINI, 'WHERE DID YOU GET THE AUTHORITY?'

HAKIM: NO HE'S SAYING THAT [REDACTED] HE POINTED THE GUN AT [REDACTED] HE SAYS

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HE DOESN'T KNOW HOW [REDACTED] BUT LET ME EXPLAIN SOMETHING: WHEN YOU ((FEW WORDS MISSED)) YOU DO NOT NECESSARILY ((FEW WORDS MISSED)) THE IRANIAN WAY, SPECIFICALLY. YOU IMPLY, AND YOU ADDRESS ONE CERTAIN PERSON AND YOU, YOU KNOW, IT'S AN IMAGINARY.....

RECORD: HE (MONTAZARI) IS SAYING. 'I DON'T UNDERSTAND HOW [REDACTED] GETS SUCH AUTHORITY.

AKIM: RIGHT.

((SEVERAL EXCHANGES INAUDIBLE.))

ORTH: HOW LONG AGO WAS THIS LETTER WRITTEN?

AKIM: ((AFTER CONFERRING WITH [REDACTED]) [REDACTED])

AKIM: ((INTERPRETING)): IMMEDIATELY THIS ISSUE WAS DISCUSSED IN PARLIAMENT, IN THE UNIVERSITIES, AND IN THE MEETINGS OF THE SCHOLARS.

AKIM: ((INTERPRETING)): SOME PEOPLE ((FEW WORDS MISSED)) [REDACTED] S REAL NAME IS [REDACTED] AND AT ONE OF THESE MEETINGS--THE SCHOLARS MEETINGS-- THIS FELLOW ((NAME MISSED)) ASKED HIM, 'HEY, [REDACTED] WHAT REALLY HAPPENED WITH MR. MCFARLANE ((FEW WORDS MISSED)) SECRET PLANE.

ORTH: HOW DID THEY KNOW THAT?

AKIM: ((AFTER CONFERRING WITH [REDACTED]) MR. MONTAZARI SAID THAT HE HAD A SPY IN THAT MEETING.

ORTH: WHO? ((LAUGHTER)) HE TELLS A COOD STORY

AKIM: [REDACTED] SAYS IF YOU WANT TO HEAR THE REST OF THE STORY, YOU'LL HAVE TO GIVE HIM 250 MORE TOWS. ((MORE LAUGHTER))

ORTH: QUITE A STORY TELLER. WHERE'S THE PHONE? ((LAUGHTER))

RECORD: TELL HIM I HAVE THE POLICE RIGHT OUTSIDE.

AKIM: ((INTERPRETING)): SIX NIGHTS AGO, KHOMEINI CALLED HIM INTO TEHRAN FROM QOM. ((FEW WORDS)) MONTAZARI.

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AKIM: ((INTERPRETING)): WHEN HE WAS CALLED TO THIS MEETING WITH KHOMEINI, THEY DISCUSSED VARIOUS ISSUES. [REDACTED] WAS ALSO PRESENT, AND THEY TALKED ABOUT [REDACTED] AND HIS PARTICIPATION IN FOREIGN ACTIVITIES WITHOUT AUTHORIZATION ((WORD MISSED)) AND ALL THAT AND THEY GOT TO DISCUSS THE ISSUE OF THE AMERICAN, AND [REDACTED] BRIEFED MONTAZARI ABOUT WHAT WAS HAPPENING AND HE SAID, 'OH, MR. GHORBANIFAR IS A ((FEW WORDS MISSED)) OLD PERSONAL FRIEND.

ORTH: HE TOLD ME ALL THESE THINGS. GHORBA TELLS EVERYBODY. HE TELLS BANKERS.

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((LAUGHTER))

NORTH: YEAH. AND THE ISRAELIS, TOO. THAT GUY IS ARRANGING EVERYTHING. 305

((FEW EXCHANGES MISSING)).

AKIM: ((INTERPRETING)): HE SAID THEY HAD STARTED TO SUSPECT HIM ([REDACTED])
 BECAUSE HE SAID, ABOUT [REDACTED] HE SAID HE HAD LEARNED ALL THESE
 THINGS FROM THE AMERICANS, SO IT WAS POSSIBLE THAT HE TOLD MONTAZERI.
 HE WAS THE SPY. AND WHEN IT BECAME KNOWN....

AKIM: ((INTERPRETING)): WHEN THIS BECAME KNOWN, THAT'S WHY THEY ARE REALLY
 ANXIOUS TO BRING GHORBA BACK AND KEEP HIM FOR A COUPLE OF MONTHS.
 I HAVE A FEELING THAT WHEN THEY SAY A COUPLE OF MONTHS, IT'S GOING
 TO BE A LONG, LONG COUPLE MONTHS.

NORTH: YEAH, BUT HE'LL NEVER GO. HE WON'T GO. HOW WOULD THEY GET HIM?

AKIM: ((AFTER ASKING [REDACTED] CAN DO IT. [REDACTED] CAN BRING HIM.

AKIM: ((INTERPRETING)): SOMETHING VERY INTERESTING WHICH DURING THE MINISTER
 OF (FEW WORDS MISSED) THE UNIVERSITY STUDENTS PUBLISHED 5 MILLION
 COPIES OF THE STATEMENT ABOUT THESE AFFAIRS ((FEW WORDS MISSED))
 KNOW WHAT WENT ON THERE.

AKIM: ((INTERPRETING)): ((IT)) HAD GOTTEN SO BAD [REDACTED] WAS AFRAID OF
 COMING OVER, AND HE BROUGHT IT TO HIS ATTENTION THAT IT WAS WITH
 THE APPROVAL OF THE IMAM KHOMEINI ((FEW WORDS MISSED)).

NORTH: [REDACTED] WAS AFRAID?

AKIM: [REDACTED] WAS AFRAID OF COMING TO THIS CHANNEL. HE WAS MORE AFRAID
 BECAUSE HE DIDN'T CONTACT THIS CHANNEL THEY JUST SENT.

AKIM: ((INTERPRETING)): [REDACTED] WAS AFRAID ((FEW WORDS MISSED)) BLOWN.

NORTH: IF IT WAS BLOWN, IT WAS ONLY BLOWN INSIDE.

((FEW EXCHANGES INAUDIBLE))

NORTH: BUT GHORBANIFAR KNOWS SOMETHING IS GOING ON.

SECOND: HE DOESN'T KNOW EXACTLY WHAT, ((FEW WORDS MISSED)) UNLESS [REDACTED]
 HAS TOLD HIM.

NORTH: THAT'S A GOOD POINT.

AKIM: [REDACTED] DOESN'T KNOW EVERYTHING.

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TH: [REDACTED] KNOWS A LOT.

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JRD: BECAUSE [REDACTED] TOLD ((WORD MISSED)), [REDACTED] TOLD GHORBANIFAR.

IM: [REDACTED] DOESN'T KNOW EVERYTHING ABOUT THIS ...

TH: WAIT A MINUTE, WE KNOW THAT GHORBA KNOWS. [REDACTED]

IM: ... THAT SOMETHING IS HAPPENING.

TH: ... AND HE KNOWS IT'S HIM.

JRD: HE KNOWS IT'S HIM AND HE KNOWS ABOUT THE MEETING IN BRUSSELS.

IM: ((INTERPRETING FOR [REDACTED]

((PORTION MISSED))

IM: DOES HE MENTION HIS NAME?

TH: YES.

JRD: HE MENTIONS A [REDACTED]

IM: ((INTERPRETING)): HE THINKS IT'S [REDACTED]

JRD: IT'S GOOD IF HE THINKS THAT.

TH: WHICH ONE IS HE?

JRD: [REDACTED] ... HE WAS [REDACTED] REMEMBER?

IM: HE'S STILL THERE. THAT'S ONE REASON THEY'RE GOING BACK.

JRD: HE'S A ((WORD MISSED)).

IM: ((INTERPRETING)): HE REFUSES TO GO BACK, AND IF HE DOESN'T RELEASE THE MONEY, HE IS SUPPOSED TO GO HOME ((FEW WORDS MISSED)). HE'S GOT 20 MILLION DOLLARS--LISTEN TO THIS, I'M NOT KIDDING YOU-- HE'S GOT 20 MILLION DOLLARS. HE HAS HIS ORDER FROM [REDACTED] TO GO BACK, HE DOESN'T ((WORD MISSED)) WANT TO GO BACK BECAUSE HE WANTS TO MAKE THIS COMMISSION FOR THE TOWS BECAUSE ((FEW WORDS MISSED)) HE CAN MAKE \$1,200 PER TOW THAT THEY BRING IN.

JRD: LOOK, THERE'S ONLY ONE ... NO ONE ELSE HAS EVER DELIVERED ANY ...

IM: THEY KNOW THAT. ((FEW WORDS MISSED)) HE DOESN'T KNOW.

JRD: HE SAYS THAT THEY KNOW IT, BUT THIS IDIOT DOESN'T ((FEW WORDS MISSED)).

IM: AND HE DOESN'T RELEASE THE MONEY. YOU KNOW WHAT? SOMEONE? HAS BEEN TELLING HIM? HE SAID, 'WHY DON'T YOU TAKE THE 20 MILLION DOLLARS AND JUST ((WORD MISSED))'

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HAKIM: ((INTERPRETING)): THE MISINFORMATION THAT [REDACTED] HAS BROUGHT OUT IS THAT [REDACTED] HAS ESTABLISHED A LINK WITH AMERICANS AND THEN THEY HAVE [REDACTED] FOLLOW UP ON THIS LINK. AND THIS SUBJECT, ONLY AND HIMSELF ((FEW WORDS MISSED)).

CAVE: ((IN PERSIAN TO [REDACTED]--INAUDIBLE)).

SECOND: DOES [REDACTED] KNOW OF HIS INVOLVEMENT, OF THE DETAILS?

HAKIM: ((FEW WORDS MISSED)) BUT HE [REDACTED] HAS COME TO HIM [REDACTED] NOT KNOWING HE'S INVOLVED, AND ASKED HIS OPINION--THIS IS ABOUT THREE OR FOUR WEEKS AGO.

HAKIM: ((INTERPRETING)): WHEN HE RETURNED FROM WASHINGTON, TWO DAYS AFTER THAT HE [REDACTED] WENT TO HIM [REDACTED].

HAKIM: ((INTERPRETING)): BECAUSE HE KNOWS [REDACTED] KNOWS WHAT'S GOING ON. ((FEW WORDS MISSED)) FOUND OUT, AND HE TOLD [REDACTED].

HAKIM: ((INTERPRETING)): THIS PARTICULAR ISSUE ((FEW WORDS MISSED)) BRUSSELS.

CAVE: ((WORDS MISSED)) KEPT ASKING ME, 'ARE YOU CURRENT ON WHAT'S GOING GOING ON IN BRUSSELS?' I SAID, 'YEAH ((WORDS MISSED)).'

SECOND: BUT IF HE KNEW ... HOW WOULD HE KNOW ABOUT BRUSSELS?

CAVE: THIS IS ... [REDACTED] KNOWS.

SECOND: YES, BUT HOW WOULD HE KNOW?

HAKIM: ((AFTER ASKING [REDACTED] HASHEMI-RAFSANJANI TOLD [REDACTED] ...

SECOND: THAT THERE WAS A DISCUSSION IN BRUSSELS

HAKIM: AND HE HAD YOUR NAME AND MY NAME, BUT THEY DIDN'T WANT TO USE HIS NAME. HE PREPARED THE REPORT, LET ME BACK UP. HE PREPARED THE REPORT WHEN HE WENT BACK FROM BRUSSELS, HE PREPARED THE REPORT FOR [REDACTED]. HE SAID, 'I HAD A MEETING WITH FOUR PEOPLE,' AND HE PUT TWO FAKE NAMES AND CORRECT NAMES. HE MENTIONED YOU BY NAME, MENTIONED ME BY FIRST NAME, AND DISCUSSED EVERYTHING THAT WE HAD DISCUSSED. SO HASHEMI-RAFSANJANI CALLS [REDACTED] IN AND SAYS, 'HEY, YOU LIED TO US, BECAUSE I HAVE, THROUGH MY SOURCES--WITHOUT SAYING WHAT THE SOURCE IS--RECEIVED INFORMATION, AND THE INFORMATION SAYS 1,2,3,4, EVERYTHING THAT WE DISCUSSED ((WORDS MISSED)).'

SECOND: AND THAT'S WHY HE WAS FISHING.

HAKIM: THAT'S WHY HE CAME TO YOU, SIR?

CAVE: YEAH, AND THAT'S WHY ((WORDS MISSED)) HIM NOTHING.

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HAKIM: AND HE PROBABLY TOLD GHORBANIFAR, 'SOMETHING'S GOING ON.'

CAVE: ((MISSED))

HAKIM: HE CREATED THE NAME.

SECOND: THAT WAS IN THE CONVERSATION WITH [REDACTED]

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((SEVERAL CONVERSATIONS GOING ON SIMULTANEOUSLY))

NORTH: WE'VE GOT TO GET THIS S.O.B. WORKING. THAT'S WHAT WE'VE GOT TO DO. AND IT'S GOING TO BE ALL OVER THE FREAKIN' WORLD. WHAT WE'VE GOT TO DO IS FIGURE OUT HOW WE'RE GOING TO HANDLE THE NEXT, LITERALLY, FEW DAYS. AT SOME POINT ALONG THE LINE, WE'RE GOING TO BE FORCED INTO ACKNOWLEDGING THAT WE'RE HOLDING PRIVATE DISCUSSIONS WITH THE IRANISANS?

SECOND: THE PROBLEM I SEE IS THAT WE CAN AFFORD THE HEAT. BUT I DON'T THINK THEY CAN. I MEAN, YOU CAN TAKE THE HIGH ROAD. ((YOU CAN SAY)) OF COURSE WE'RE TALKING. WE'RE TRYING ALL THE TIME ((FEW WORDS MISSED)) USE EVERY CHANNEL AVAILABLE. AND WE'RE ALSO TRYING TO STOP THIS BLOODY WAR ((FEW WORDS)) PEACE IN THE REGION. BUT I DON'T THINK THEY CAN STAND THE HEAT. DO YOU AGREE?

CAVE: ((FEW WORDS MISSED)) TO GET THOSE GUYS TO RELEASE THOSE DAMN HOSTAGES SO THAT WE CAN PUT THE BEST LIGHT ON THIS.

SECOND: WELL, IF THEY DO THAT, IT WOULD MAKE IT EASIER ON US.

NORTH: WELL, THAT'S WHAT I'M AIMING FOR.

SECOND: BUT THEIR PROBLEM ((FEW WORDS MISSED)).

NORTH: I UNDERSTAND THAT. THAT'S WHY THIS BACKGROUND IS VERY IMPORTANT TO WHAT WE SAY OR DON'T SAY. YOU KNOW, I MEAN, THERE'S ALREADY RUMORS. AND WE'VE SEEN THE JACK ANDERSON STUFF.

SECOND: IS HE [REDACTED] FINISHED WITH HIS AGENDA?

HAKIM: ((ASKS [REDACTED]))

HAKIM: ((FEW WORDS)) IS ACTUALLY ON BAD TERMS...

NORTH: WHO?

HAKIM: MONTAZERI. HE IS NOT ON GOOD TERMS WITH THE REGIME. HE HAS SHUT DOWN HIS HOUSE TO PEOPLE SO NO ONE CAN GO TO HIM. AND HE HAS CLOSED HIMSELF IN.

AVE: HE HAS SEQUESTERED HIMSELF. IS ABOUT THE BEST WAY YOU CAN PUT IT.

NORTH: IS HE UNDER HOUSE ARREST?

AVE: NO. THAT'S "MOHASEREH" ((PERSIAN WORD FOR SEIGE)) ((WORD MISSED)) IS WHEN HE DOES IT HIMSELF. BUT IT'S UNDERSTOOD HE HAS TO DO IT.

HAKIM: IF HE DIDN'T DO IT HE'D BE IN DEEP

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NORTH: HEY, WHERE ARE WE HEADED HERE, GUYS? I NEED TO HAVE A SENSE FOR.

SECOND: I THINK WHERE WE OUGHT TO HEAD IS A DISCUSSION OF WHAT KIND OF ANNOUNCEMENTS OUGHT TO BE MADE WHEN THESE TWO GUYS ARE RELEASED THIS WEEKEND. THAT'S A TACTICAL THING THAT NEEDS TO BE...

NORTH: ((LOUDLY)) HEY, GUYS DOWNSTAIRS. IF YOU GOT ANY MORE TAPE, SOMEBODY BRING IT UP [REDACTED] ((LAUGHS)) WE'RE OUT OF TAPE FOR OUR FREAKIN MACHINE. ((LAUGHTER)).

HAKIM: THIS GUY HAS TOLD 16 PEOPLE...

NORTH: WHO'S "THIS GUY?"

HAKIM: [REDACTED]

NORTH: WHAT DO YOU ((FEW WORDS)) TO CHANGE HIS TAPE? ((APPARENTLY TALKING ABOUT [REDACTED] WHO HAS LEFT THE ROOM.))

HAKIM: HE PROBABLY WENT TO SEE ((FEW WORDS MISSED)).

SECOND: HE WENT TO ?SEE? ((WORD MISSED))

NORTH: WHY, WHY IS HE ((FEW WORDS MISSED)) NEXT DOOR?

HAKIM: BECAUSE WE STARTED TALKING ((FEW WORDS MISSED)) HE SAID, HE MENTIONED, I ASKED HIM.....

NORTH: IS HE CARRYING SOME ((FEW WORDS MISSED)). ?DO THEY HAVE ONE? NEXT DOOR? ARE YOU SURE?

AVE: ((INAUDIBLE))

NORTH: WHAT DID HE SAY?

HAKIM: THERE ARE TOO MANY THINGS HAPPENING, SO LET ME GO BACK ? A LITTLE BIT? HE ((FEW WORDS MISSED)) MONTAZERI, HE CLOSED SHOP. THAT MEANS HE KNEW THAT IF HE DIDN'T, HE WOULD BE IN DEEP SHIT, BECAUSE KHOMEINI HAS ORDERED THE ARREST OF THE, OF HIS GROUP, WHO HAD PARTICIPATED [REDACTED] AND WHEN KHOMEINI SAYS "ARREST," IT MEANS EXECUTE THEM.

NORTH: O.K., I HEAR YOU, BUT I'M A LITTLE CONFUSED. [REDACTED]

HAKIM: [REDACTED] DID IT.

NORTH: YEAH, [REDACTED]

AVE: ((FEW WORDS MISSED)) WHAT [REDACTED] WAS DOING IS.. WHAT THEY WERE DOING IS ((FEW WORDS MISSED)) ((PORTION INAUDIBLE)) THE GUYS THAT THEY FOUND OUT THAT DID NOT COOPERATE AMONG THE ?SHI'AH?, THEY WOULD KNOCK OFF.

NORTH: I'M NOT SURE OF THAT. I MEAN...

SECOND: I GATHER THAT THESE ARE GUERRILLAS THAT HE HAS KILLED?

AVE: YEAH...

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ORD: [REDACTED]

IM: WELL, ASK HIM. THAT'S A SIMPLE ENOUGH QUESTION. ASK HIM. ^C 370
WELL ANYWAY, THE IMPORTANT THING IS THE PEOPLE THAT ARE BEING
ARRESTED, FROM [REDACTED] GROUP, ARE GOING TO BE ALL
EXECUTED. HE SAYS, "WHEN KHOMEINI SAYS 'ARREST THEM,' THIS IS
UNDERSTOOD TO MEAN THAT THEY ARE GOING TO BE EXECUTED, AND THEY HAVE.

ORD: ((INAUDIBLE))

IM: [REDACTED] HAS CLOSED DOWN SHOP. HE'S NOT ARRESTED YET? BUT HE.
PROBABLY THAT'S A DEAL THAT KHOMEINI HAS MADE. HE'S SAID, "YOU
GO AHEAD AND SHUT YOURSELF IN." ((FEW WORDS MISSED.)) THAT'S MY
ASSESSMENT. WOULD YOU AGREE WITH THAT, SAM? THEY WILL GO AHEAD
AND EXECUTE THESE PEOPLE, BUT UH... ((PERSIANS RETURN TO THE ROOM.))
HE WENT TO BRING ME THE NEWSPAPER.

SEVERAL EXCHANGES INAUDIBLE))

E: ((APPARENTLY TRANSLATING FROM A PERSIAN NEWSPAPER.)) THE OFFICE OF
THE IMAM HAS ISSUED ORDERS TO ARREST THOSE HAVE GONE ASTRAY, THAT
ARE CONNECTED WITH [REDACTED]

ORD: DOES IT MENTION [REDACTED] SPECIFICALLY?

E: ((READING IN PERSIAN)) "CHARGES AGAINST THIS GROUP: MURDER BEFORE
THE REVOLUTION; COOPERATION WITH SAVAK, AND THIS IS CONNECTED TO [REDACTED]
[REDACTED] WELL, HE'S GOING TO BE DEAD AFTER THIS ANYWAY. "KIDNAPPING
AND MURDER AFTER THE REVOLUTION; HOLDING WEAPONS AND EXPLOSIVES
ILLEGALLY; FIVE, HOLDING SECRET GOVERNMENT DOCUMENTS; SIX, COUNTER-
FEITING GOVERNMENT DOCUMENTS; SEVEN, SECRET, UNLAWFUL ACTIVITY...

TH: WHAT ROLE DID HE HAVE WITH THE DANA AND HIZBALLAH?

IM: WE WILL ASK HIM. BUT THE 15 PEOPLE... HE STARTED TO TELL ME THIS.
WAS MR. ((NAME MISSED)) WHO WAS KNOWN TO BE AN AMERICAN ((WORD
MISSED)) ASKED HIM WHO WERE THE [REDACTED]

TH: THESE ARE [REDACTED]

IM: YEAH. AND HE SAYS ((FEW WORDS MISSED.))

E: ((INAUDIBLE.))

TH: LOOK, WHY DON'T WE GO TAKE A BREAK?

((MUST BE PRAYER TIME. PERSIANS TRYING TO ESTABLISH DIRECTION OF
MECCA. AMERICANS LEAVE.))

((END OF TAPE A5))
((BEGINNING OF TAPE A6))

DURING FIRST PART OF TAPE, PARTICIPANTS APPEAR TO BE EXAMINING A
MAP. EXCHANGES ARE FOR THE MOST PART INAUDIBLE.
LATER THE AMERICANS, EXCEPT FOR HAKIM, APPEAR TO HAVE LEFT THE ROOM.
CAN HEAR CONVERSATION IN PERSIAN IN THE BACKGROUND BUT, EXCEPT FOR
ISOLATED PHRASES, THE EXCHANGES ARE INAUDIBLE.

AT ONE POINT, HOWEVER, THE PERSIANS PLACE TELEPHONE CALLS,
APPARENTLY TO TEHRAN, AND PARTS OF THEIR END OF THE CONVERSATION
CAN BE HEARD.

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IN THE FIRST CONVERSATION, THE SPEAKER APPEARS TO BE [REDACTED] IN THE COURSE OF THE CONVERSATION HE DICTATES THE TEXT OF A TELEX IN WHICH HE STATES THAT "AN ERROR WAS MADE IN THE PART NUMBER OF ITEM 36. THE NUMBER HAS TO BE SOMETHING ELSE; WE WILL TELL YOU WHAT IT IS IN THE NEXT CONVERSATION. MEANWHILE THE NUMBER OF THE BANK ACCOUNT IS [REDACTED]"

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IN THE SECOND CONVERSATION, [REDACTED] TELLS SOMEONE TO PASS THE WORD ON TO SOMEONE ELSE THAT "THERE IS VERY LITTLE TIME ON THIS MATTER OF STEP NUMBER 4; IT MUST BE CONCLUDED BY SATURDAY AT THE LATEST. TELL HIM TO GET IN TOUCH WITH [REDACTED]"

[REDACTED] SHOULD SAY THAT WE HAVE ONLY UNTIL SATURDAY AND THAT HE SHOULD TRY TO SEE TO IT THAT TWO ARE... YOU KNOW."

((END TAPE A6))

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(IM: ((INTERPRETS))

[REDACTED]

KIM: ((INTERPRETS)) HE HAS HEARD ONLY TWO NAMES FROM YOU SO FAR. HE WANTS TO GET TO KNOW WHO IS SUPPORTING THIS ACTIVITY AND WHO IS NOT. SO FAR HE HAS HEARD ONLY TWO NAMES FROM YOU--POINDEXTER AND THE PRESIDENT. AND THEIR EVALUATION OF IRAN ((REMAINDER MISSED)) SO HE WANTS TO KNOW WHO....

CCRD: THAT'S A MISPERCEPTION.

RTH: THE FACT IS, POINDEXTER HAS AUTHORITY TO DO MANY THINGS. IF HE WAS WEAK, HE WOULD NOT BE ALLOWED TO DO THESE THINGS. HE WOULD NOT HAVE THE POWER TO DO THEM. HE IS CRITICIZED A GREAT DEAL BY THE PRESS AND THE MEDIA AND BY CRITICS, EVEN WITHIN THE ADMINISTRATION. BUT HE IS A VERY POWERFUL MAN OR WE WOULDN'T BE HERE.

KIM: ((INTERPRETS))

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[REDACTED]

KIM: ((INTERPRETS)) WHO ARE THE OTHER EXCEPT POINDEXTER?

JRTH: THE PRESIDENT, THE VICE PRESIDENT, THE NATIONAL SECURITY ADVISOR, CASEY.

AKIM: NO BUT, THE LAST TIME WE SAID A DIFFERENT STORY.

JRTH: NO THE PROBLEM IS, YOU WOULD PROBABLY PUT, IF YOU HAD TO DRAW UP A LIST, YOU'D PUT FOR/AGAINST, OKAY? BUT THAT'S TOO SIMPLE. IT'S TOO BLACK AND WHITE. ON THE FOR SIDE YOU WOULD HAVE REAGAN, REGAN, POINDEXTER, CASEY, AND OVER HERE YOU WOULD PUT SHULTZ AND WEINBERGER. AND AFTER THAT, NOBODY ELSE COUNTS.

AKIM: ((INTERPRETS))

JRTH: BUT RIGHT NOW, NOBODY IN OUR CONGRESS EVEN KNOWS ABOUT IT. AND WE'RE NOT GOING TO TELL THEM UNTIL WE GET THE HOSTAGES OUT.

AKIM: I MUST EXPLAIN TO HIM THAT IT IS WITHIN THE POWER OF THE ADMINISTRATION TO DO WHAT HE IS....

JORTH: THE PRESIDENT..

AKIM: ((INTERPRETS))

HAKIM: GENTLEMEN. AT THIS POINT, I REALLY TAKE THIS THING VERY, VERY PERSONALLY. PLEASE TELL THIS GENTLEMAN WHAT YOUR POSITION IS, AND I WANT ((FEW WORDS UNCLEAR.))

CAVE: ((IN PERSIAN)) AT THIS TIME NONE OF THE MEMBERS OF OUR CONGRESS ((FEW WORDS UNCLEAR.))

HAKIM: AND THEN PLEASE WRITE THIS QUESTION OUT. HE IS ALWAYS ?TAKE THE FACT? THAT I AM AN EX-IRANIAN. HE ALWAYS ?INSINUATES? THAT I MAY BE FOOLING AROUND WITH THE TRANSLATION. SO PLEASE, MAKE THAT CLEAR. THAT HAS BEEN A HANDICAP FOR ME THROUGHOUT THE PAST SEVERAL WEEKS.

CAVE: ((IN PERSIAN ASSURES THE PERSIANS AS TO THE ACCURACY OF HAKIM'S

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 Declassified on 1/26/88
 by B. Rogers, National Security Council

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RTH: THAT'S VERY IMPORTANT.

KIM: HE KNOWS THAT. THAT'S WHY I WANT YOU TO GET... I TOLD HIM THAT. I WANT ((HIM)) TO GET ON THE DAMN PHONE AND SAY, "ITEM FOUR, TIME IS RUNNING OUT." HE DOESN'T NEED TO GO BACK. THAT'S WHY I'M HOLDING THE DISCUSSION. IN MY OPINION, IF [REDACTED] WENT BACK AND TRIED TO COORDINATE THINGS, IT WOULD BECOME A COMPLICATED ?PHASE?, AND THEY'RE NOT GOING TO MEET THE DEADLINE. THAT'S MY OPINION. YOU KNOW THEY HAVEN'T HAD A CHANCE TO TALK; THEY NEED TO TALK. I SUGGEST THE FOLLOWING: THAT HE JUST GO ON AND FINISH WITH THIS BRIEFING HERE, AND TAKE A BREAK. AND WE TALK IT OVER. THE OTHER ((PORTION MISSED.)) THE HOSTAGES, BECAUSE I'M HEARING THINGS I DON'T LIKE. I THINK THAT I'M HEARING THAT ONE HOSTAGE IS GOING TO BE RELEASED FIRST ((FEW WORDS MISSED.)) THAT'S NOT PART OF THE AGREEMENT. I DON'T LIKE ((PORTION MISSED)) I DON'T WANT THE ((FEW WORDS MISSED)) THE WORK THAT WE HAVE ALREADY DONE.

AVE?: ((INAUDIBLE))

KIM: I UNDERSTAND THAT. THAT'S WHY HE CANNOT GO BACK.

RTH: I DON'T CARE WHERE HE GOES, AS LONG AS HE GETS THE HOSTAGES ((WORD MISSED)).

AKIM: I UNDERSTAND, BUT IF ...

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under provision E.O. 12065

by R. L. J. National Security Council

AVE: WE'LL SEND HIM TO MIAMI BEACH.

AKIM: ((FEW WORDS MISSED)) [REDACTED] SAYS THAT HE HAS TO GO BACK TO TEHRAN TO COORDINATE.

RTH: WELL IF THAT'S WHAT IT TAKES, THEN HE GOES BACK TO TEHRAN. THE IMPORTANT THING IS, AT THIS POINT, THAT I CAN GO BACK TO WHERE I HAVE TO GO AND ASSURE MY BOSS THAT THE PLAN HE APPROVED IS INDEED BEING CARRIED OUT--THAT THERE IS CONFIDENCE THAT BOTH SIDES ARE INDEED FULFILLING WHAT THEY SAID THEY'D DO. OUR SIDE UNDERSTOOD THAT WE'VE GOT THE MAPS, WE'VE GOT INTELLIGENCE, WE'VE GOT ALL THIS OTHER SHIT, AND IF I GO BACK AND TELL THEM THIS PIECE OF PAPER IS NO GOOD ((AND)) WE TEAR IT UP, I TAKE A LONG WALK.

AKIM: I UNDERSTAND THAT, BUT I AM CONCERNED THAT BEFORE WE PASS THIS ON TO HIM, I'D LIKE TO SIT DOWN AND ((FEW WORDS MISSED)).

SECOND: DO YOU THINK WE CAN TAKE A BREAK, THEN?

AKIM: I NEED 15 OR 20 MINUTES TO TALK ABOUT THIS WITH HIM BEFORE ?WE? PASS THIS ON.

NORTH: I DON'T SEE WHY ... BUT WHY?

AKIM: ((FEW WORDS MISSED))

NORTH: WELL I JUST WANT TO FIND OUT WHAT THE HELL'S GOING ON.

AKIM: WHAT IS GOING ON IS THAT IF WE ((FEW WORDS MISSED)), THE MAN WHO ((FEW WORDS MISSED)) THE ISSUE OF THE HOSTAGES. I'M NOT TALKING ABOUT ANY OTHER ISSUE, I'M TALKING ABOUT THE HOSTAGES. NOW IF WE

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THIS IS A NEW AGREEMENT. DO YOU FOLLOW ME?

NORTH: NO.

AKIM: I GOT PAID AND I GOT DEMANDS. OK, AND WORRIED? THAT WE ARE GOING TO GET OUR HOSTAGES FOUR DAYS AFTER THEY GET THE MISSILES?

NORTH: RIGHT.

AKIM: THAT IS AN AGREEMENT--FINISHED. WHAT IN THE HELL DOES IT MEAN TO COORDINATE? I WANT TO SIT DOWN AND TALK ABOUT THIS. TO ME THIS IS A NEW GAME WHICH I DO NOT LIKE THE SMELL OF IT. EVERYTHING HAS BEEN COORDINATED. I WAS TOLD EVERYTHING WAS COORDINATED. WHAT DOES THIS MEAN? I'D LIKE TO Toss THIS THING AROUND BEFORE WE ((TWO WORDS MISSED)) WITH HIM.

AVE: I THINK THE IMPORTANT THING IS THAT WE'VE GOT TO HAVE TWO HOSTAGES BY SUNDAY.

NORTH: YEAH. I DON'T SAY, IF THEY'RE NOT OUT BY SUNDAY, I DON'T CARE.... LET ME JUST MAKE THIS ONE POINT, YOU KNOW, ONE OF THE TWO OF YOU TRY AND COMMENT? IF WE DON'T HAVE TWO HOSTAGES BY SUNDAY, ON MONDAY MORNING SOMEONE IS GOING TO FOLLOW UP ON ONE OF THESE OTHER CONTACTS. AND NEVER AGAIN WILL THIS GROUP OF PEOPLE BE GATHERED TOGETHER. IT WILL BE OVER. THAT POINT HAS GOT TO BE MADE.

AKIM: ((INTERPRETS))

AKIM: ((INTERPRETS)) THERE IS NO PROBLEM.

AKIM: ((INTERPRETS)) ((PORTION MISSED)) I WAS SMART ENOUGH THAT I DIDN'T THINK THAT IT CAN HAPPEN ON WEDNESDAY. ((FEW WORDS MISSED)) AND ANY TIME BETWEEN WEDNESDAY AND THE 13TH OF NOVEMBER ((FEW WORDS MISSED))

ECORD: I'M NOT GOING TO ACCEPT THAT ANY OF THIS ((FEW WORDS MISSED)) WE DELIVERED THESE THINGS AS QUICKLY AS WE COULD AT HIS REQUEST.

AKIM: I UNDERSTAND. HE SAID IF HE KNEW ((FEW WORDS MISSED)), HE WOULD NOT HAVE COME TO THIS MEETING; HE WOULD HAVE STAYED HOME TO COORDINATE. AND THEN I HAVE SPENT 23 DAYS? ((FEW WORDS MISSED)) AND WE WERE IN TOUCH WITH HIM; I SAW NO PROBLEM WITH ((FEW WORDS MISSED)). AND NOW HE TELLS ME THAT THERE IS NO PROBLEM ((FEW WORDS MISSED.)) THE POWER STRUGGLE; ((FEW WORDS MISSED)) A QUESTION OF GETTING CREDIT FOR IT; I DON'T KNOW. THERE IS SOMETHING HERE THAT IS NOT JIBING. AND I WANT TO UNDERSTAND IT. AND FOR THAT, I NEED TO TALK ABOUT IT.

AVE: ((INAUDIBLE))

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((INAUDIBLE))

AKIM: THIS IS THE MOST IMPORTANT THING...

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Chapter 14
Footnote 244

X

TAPE A1

C 283

(MEETING AT MAINZ, W. GERMANY, 29-30 OCT. 1986)

14-244

((QUALITY OF THE RECORDING IS VERY BAD))

((AFTER SOME PRELIMINARY CHATTER ABOUT TRAVEL SCHEDULES, ETC.))

ARTH: BEFORE YOU START TO TALK, I JUST NEED ONE PIECE OF INFORMATION THAT IS VERY IMPORTANT. GIVEN THE UNREST THAT IS... IS THERE ANY DANGER FOR YOUR PLANE WHEN IT GETS INTO BANDAR ABBAS RIGHT NOW.

VE AND HAKIM: ((INTERPRET)) (ASKS IF THERE IS ANY DANGER TO THE PLANE. GIVEN THE CURRENT INTERNAL UNREST IN IRAN.)

KIM: NO, IT'S NOT IN DANGER. ((FEW WORDS UNCLEAR)) HAVE RESOLVED. IT'S UNDER CONTROL. HE WAS TELLING US ((FEW WORDS UNCLEAR)) BUD'S TRIP ((FEW WORDS)) GHORBANIFAR, THROUGH HIS... FOUND OUT, HE FOUND OUT ((FEW WORDS)) 715? YEAR OLD FRIEND OF GHORBANIFAR ((FEW WORDS)) APPRISED OF EVERYTHING FROM DAY ONE, AND WHO ((PORTION MISSED)) THE TRIP OF BUD, THAT EXPOSED, THERE WERE PUBLICATIONS FROM THOSE GROUPS ?IN THE? COUNTRY, FROM STUDENTS AND THINGS THAT SUCH ((FEW WORDS MISSED)) TRIP OF MCFARLANE TO IRAN. BUT HE SAID THAT THEY HAVE BROUGHT IT UNDER CONTROL. I DON'T KNOW HOW.

HAKIM: ((INTERPRETING)) HE SAYS THAT HE DOESN'T EVEN KNOW IF ((FEW WORDS UNCLEAR)) MCFARLANE'S MISSION, NOT THE NAME OF A PERSON, HE THOUGHT THAT IT WAS THE NAME OF ?ITS MISSION? HE SAID WHAT IS THIS. [REDACTED] LAUGHS)).

AVE: NOW HE'S A FAMOUS PERSON. ((LAUGHTER))

NORTH: ((LAUGHING)) NOBODY KNEW WHO HE WAS BEFORE, BUT NOW EVERYONE KNOWS. WHEN WOULD YOU LIKE HIM TO COME BACK, TOMORROW? ((LAUGHTER))

CAVE: HE SAYS THAT WE HAVE AN AWFUL LOT OF WORK TO DO ((FEW WORDS))

HAKIM: HE WANTS SAM AND RICHARD TO STAY.

SECOND: TELL HIM THAT WE JUST RECEIVED A CODED MESSAGE FROM THE AIRPLANE. THEY ARE ALL ((CLEAR)).

HAKIM: ((INTERPRETS))

((HAKIM MAKES A PHONE CALL TO LONDON ASKING ABOUT WHEREABOUTS. SEE PHONE TAPE TRANSCRIPT.))

((TIME OUT FOR EATING. DISHES RATTLING. UNINTELLIGIBLE CHATTER IN BACKGROUND.))

((NORTH MAKES A TELEPHONE CALL WHILE OTHERS CHAT IN BACKGROUND.))

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Portion of the file is a duplicate of the original file. The original file is in the possession of the CIA. The original file is in the possession of the CIA.

((CONVERSATION AT THIS POINT IS TAKING PLACE AT SOME DISTANCE. ONLY ISOLATED, DISJOINTED PHRASES CAN BE HEARD. THOSE EXCHANGES WHICH CAN BE HEARD IN ANY SORT OF COMPLETENESS ARE AS FOLLOWS:))

AKIM: ((IN PERSIAN)) THEIR CONTACT IS WITH [REDACTED] 284
[REDACTED] AND [REDACTED] THOSE TWO
PEOPLE.

ECORD: ONCE WE GET PAST STEP FOUR, THEN HE AND I WILL TALK ABOUT THIS. THEN ((WORD UNCLEAR)) PLAN A GOOD, FIRM CASE ((TRAILS OFF)) IN PRINCIPLE. CAN YOU TELL HIM THAT?

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AVE: WHAT HE'S SAYING IS THAT [REDACTED] TOLD HIM THAT IN ORDER TO ((FEW WORDS UNCLEAR)) ?SADDAM HUSAIN? [REDACTED]

NORTH: ((UNCLEAR.)) THAT'S US DOING THAT ((ONE WORD)) [REDACTED]

ECORD: BUT MY POINT IS THAT BEFORE WE CAN GET TOO FAR ((FEW WORDS UNCLEAR)), WE'VE GOT TO HAVE OUR PEOPLE BACK.

NORTH: WE'VE GOT A WHOLE BUNCH OF THINGS WE HAVE TO DO BEFORE WE GET TO GET TO THAT POINT.

HAKIM: ((INTERPRETS)) ((SENTENCE UNCLEAR.)) THE MATTER OF TALKING WITH ((PORTION UNINTELLIGIBLE)) TALKS WITH [REDACTED] ((PORTION UNINTELLIGIBLE))

HAKIM: ((INTERPRETS)) HE WANTS TO KNOW WHAT YOU DID.

NORTH: WE'VE DONE THREE THINGS. SINCE WE STARTED TALKING, AND BEFORE, ACTUALLY THIS A DIRECT RESULT OF THE DISCUSSIONS THAT WE HAVE HAD IN THIS ((WORD UNCLEAR.))

HAKIM: ((INTERPRETS))

NORTH: WE GOT [REDACTED] TO CUT OFF THE ARMS GOING TO IRAQ. WE STOPPED THEM.

HAKIM: ((INTERPRETS))

NORTH: SECOND, WE HAVE HAD PRIVATE DISCUSSIONS WITH BOTH THE KUWAITIS [REDACTED]

HAKIM: ((INTERPRETS))

NORTH: AND THIRD, WE HAVE TALKED VERY PRIVATELY WITH [REDACTED]

HAKIM: ((INTERPRETS. AND ADDS MOSTLY UNINTELLIGIBLE PORTION ABOUT TALKS WITH KUWAIT [REDACTED])

NORTH: MY PROBLEM IS THAT MY BOSS, THE PRESIDENT WHO WROTE IN THAT BIBLE FOR YOU, AND POINDEXTER WHO IS MY BOSS, ARE LOSING PATIENCE. AND I AM UNDER GREAT PRESSURE, AS ARE THESE GENTLEMEN, TO SHOW THAT THIS CONNECTION THAT WE HAVE MADE IS GOING SOMEWHERE.

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XIM: ((BEFORE INTERPRETING SAYS)) I WILL TRANSLATE EXACTLY WHAT YOU SAID. BUT YOU SHOULD BE AWARE, AS A RESULT OF THEIR WORK WITH US AND, YOU ALSO KNOW, THE ONLY WEAPON THAT THE IRANIANS HAVE IN THIS ((WORD UNCLEAR)) PEOPLE IN LEBANON IS THE IMAM KHOMEINI. IT'S THE ONLY THING THAT THEY LISTEN TO. SO THE IMAM KHOMEINI, AS A RESULT OF THE EFFORT OF THIS ((WORD UNCLEAR)) HAS PASSED A DECREE CLASSIFYING THE HOSTAGES AS PRISONERS; THEY ARE NOT ANY MORE SPIES OR THE BIG SATAN, NONE OF THIS. THEY ARE PRISONERS. HE WAS WAITING TO BRING A COPY OF THAT DECREE WITH HIM AS A RESULT OF THIS, THE TOTAL ATMOSPHERE IN CONNECTION WITH THE HOSTAGES WILL CHANGE IN LEBANON. THEY ARE GOING TO GO WITH THIS WEAPON INSIDE AND TRY TO SORT THINGS OUT ?IN ACCORD? WITH WHAT THEY ALSO COMMITTED THEMSELVES TO US. SO I WILL GO AHEAD AND TRANSLATE THIS.

((END OF SIDE A, TAPE A1.))
((SIDE B, BLANK))

((TAPE A2))

VOICE IS SO FAINT IN THIS TAPE THAT IT IS COMPLETELY UNINTELLIGIBLE.))

XIM: ((INTERPRETS NORTH'S PREVIOUS STATEMENT))

XIM: ((INTERPRETS)) HE WANTS TO START THE OFFICIAL MEETING. HE THANKS ALL OF YOU FOR YOUR EFFORTS.

XIM: ((INTERPRETS)) THERE ARE FOUR ISSUES THAT HE IS ESTABLISHING AS THE POINTS FOR DISCUSSION. IF YOU WOULD LIKE TO ADD LIB, PLEASE FEEL FREE TO DO SO.

XIM: ((INTERPRETS)) HE IS REQUESTING THAT ALL ISSUES THAT ARE BEING DISCUSSED HERE IN HIS PRESENCE NOT BE DISCUSSED IN ((FEW WORDS MISSED)) ?INFORMAL? MEETING ?IN THE U.S.?

XIM: ((INTERPRETS)) HE WANTS TO MAKE THE OBSERVATION THAT THE REASON WE HAVE BEEN SUCCESSFUL SO FAR HAS BEEN, AT LEAST AT THE LEVEL OF THIS GROUP, WE HAVE BEEN TRUTHFUL WITH EACH OTHER AND WE HAVEN'T LIED

XIM: ((INTERPRETS)) WITH THE INCOMPLETE, BROKEN SYSTEM OF COLLECTING INFORMATION THAT THEY HAVE, THEY HAVE COME TO THE CONCLUSION THAT IN YOUR GOVERNMENT ?WE? HAVE PROBLEMS AND DIFFICULTIES IN ESTABLISHING RELATIONS WITH IRAN. IF SO, HE WOULD LIKE TO FROM THE VERY ((FEW WORDS UNCLEAR)) AS TO WHAT THEY ARE, AND WHY, AND THEN HE IN TURN WILL DO THE SAME THING AND EXPLAIN WHAT ARE THE DIFFICULTIES THAT IRAN ((TRAILS OFF)).

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Chapter 14

Footnotes 26-247

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((minitape))

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14246+247

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Under provisions of E.O. 12255
by B. Jager, National Security Council

cave: [redacted] says they've got it, but it's not in bandar abbas
second: [redacted] it's not? when we talked last, my understanding was they
[redacted] it in a shelter at bandar abbas where is it?
cave: [redacted] can
second: [redacted]

cave: ((interpreting)) they can bring it in about a day and a half
second: okay

[redacted] as soon as we start, because ((few words missed))
second: do they have a transport to move it
cave: he says they don't want the army to know that they're giving
((few words missed))
second: so ((few words missed)) they will cover us?

cave: ((interprets)) oh, yes, but he says is that the best way
to do this is that we'll have the t-72 get there roughly
the same time as the ship.

second: he has to give me the time, and i will adjust accordingly
he must also give me instructions

cave: ((interprets))

cave: he doesn't want [redacted] he says that the agreement is that just
a regular, uh, you know, commercial ((word missed))

second: whatever he wants. if they have the...

cave: ((interprets))

second: the reason why i said navy was that i [redacted] the navy had the
cranes i suppose they do

((interprets))

what did i tell you that it weighs 46,000

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north: forty. it weighs 42 tons

second: forty-four tons. in fact?

north: forty-two tons. maybe with a full combat load it's 44 tons

second: 44 or 43 tons.

north: yeah. but they have a 100 thousand pound crane at bandar abbas any way?

second: i don't know.

north: well, if i don't, it's never going to get on the ship

second: do in the navy.

cave: ((few words missed)) whether or not a suitable crane exists at bandar abbas. ((few words missed)) says that the revolutionary guards has placed one there.))

cave: he says that they have one that they unload ((few words missed))

north: if it unloads 'em, it will load 'em.

cave: ((interprets)). he says that the pasdars have their own pier. ((phone rings ((few words missed)) apparently giving a room number, say "515," and hangs up.))

second: sam. would you ask him if they would be so kind as to put a full load of the big ammunition in the tank. whatever it is, 30, 40, 50 rounds whatever.

cave: ((interprets)) ((while cave interprets, the following exchange takes place between north and second:))

north: Why don't we ask him if he wants to get rid of an mi-24 or an mi-221? which we don't have to ((few words missed))

second: it would be nice to have though.

north: no. well we've got ((few words missed))

second: we've got plenty of that kind of ammo?

north: i mean that's not as important as...

second: well, they may not have it either.

north: it would be good to have a sample of

second: ((asks cave)) do they have it?

cave: ((interprets)) they have. there's a guy named ((few words missed)) the f b i confiscated twenty million dollars. ((to

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persian:)) When was this?

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cave: ((interprets)) he says about a year and a half ago

cave: ((interprets)) yeah, this was another ...

north: ... sting, or was this ...

cave: I don't know if it was a sting or not. But [redacted] is well known and he told them that the twenty million dollars ((few words missed)) missiles ((two words missed)).

north: only guy who can get tow missiles.

second: yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave: what they want to know is about the money.

north: i don't know, i'll check ...

cave: ((interprets)) he said that they even won a court case on the money in the united states, and the f b i was ordered ... the f b i was ordered by a court to turn over the money, and the haven't yet

north: why don't you get for me ... you get for me the facts for our next meeting, and i will go and find out what i can

cave: ((interprets))

second: ((interrupting)) name of attorneys That's a lot of money

north: you get for me the facts on what happened--the names of the attorneys, the dates ... bring that to the next meeting when we give you the communications equipment ...

cave: ((interprets))

north: ... and i will take the information you give me and find out what happened, and then call you on that ... and tel you what the answer is.

cave: ((interprets))

((knock at door.))

second: tell him the name of the ship is ria--a

north: do we have the ship's callsign?

second: that is the ship's callsign--ria.

[redacted] apparently starts to leave the room.))

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second don't be gone long. we've got work to do. Tell [REDACTED]

((recording is interrupted at this point. when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was available on portions of other tapes produced from another recording device. (Portions of tape a7 and a8, transcriptions of which were provided earlier.) The quality of this recording is, however, considerably superior to the other tapes, and this transcription contains a number of major revisions and addition of material which could not be recovered from the earlier tapes.))

hakim [REDACTED] to raise a few issues ((few words missed)) some of the [REDACTED] are going to raise serious objections, but his [REDACTED] is to discuss it and try to remove the ((word missed))

HAKIM: ((INTERPRETS)) the deduction, JACK IN TEHRAN... HE JUST HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE. THEY CONSIDER that your seven points AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [REDACTED] AND [REDACTED]. AND EXAMINING THE SEVEN POINTS, THEY COME TO THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [REDACTED]--HE REFERRED TO THAT EARLIER--IN TAKING THE STEPS TOWARDS NORMALIZING RELATIONSHIPS. AND HE HAS [REDACTED] OUR POSITION BY PASSING ON TO THEM THE POSITION OF THE U.S. THROUGH THE WORDS OF GENERAL SECOND, WHICH WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A LOT OF SONG AND DANCE WITH YOU, AND YOU RELEASED TWO [REDACTED] FOR US AND THEN YOU TURN AROUND AND GOT TWO OTHER GUYS. THAT'S THE BOTTOM LINE. HE SAYS, "I HAVE PASSED THIS ON TO THEM."

HAKIM ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THINGS TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE A FEW STEPS, SEPARATE FROM THE STEPS THAT WE ALREADY DISCUSSED. ((THEY)) WILL SOLVE MOST OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'ua

hakim ((INTERPRETS)) The other one is the [REDACTED] cameras for the [REDACTED] Iran needs them "desperately."

second: That's a new one, isn't it?

hakim: yes. it's new and not new because [REDACTED] brought it up.

hakim ((INTERPRETS)) he says the other one is [REDACTED] spare parts. ((few words missed)) there are [REDACTED] phoenix missiles that are not operational.

cave: there are [REDACTED]

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hakim: [redacted] and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hashemi-rafsanjani is interested personally in this.

hakim: [redacted] he has told him a few times.

C 10455

second: [redacted] is interested in what--the [redacted] missiles?

hakim: [redacted] the spare parts and repairing ((word missed)).

hakim: [redacted] upon the release of the two [redacted] immediately follow the [redacted] words missed)) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tons [redacted] they do not necessarily have to have them right away because they have now enough to operate.

second: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

second: on phoenix missiles, if you have [redacted] phoenix missiles at isfahan, my guess is that you don't need many spare parts--or you may only need a few spare parts--and you might point out what you need is one or two technicians, probably at least two technicians for different functions within [redacted]

cave: do they have the calibration equipment?

second: they did have. I put it [redacted] there.

cave: that's what I wanted to ask you ((few words missed))

second: they had the hawk missile building and test equipment. we all put it [redacted] I don't know if it's still there not hawk, but phoenix. I've got hawks on the brain.

((round of exchanges missed.))

hakim: ((interprets)) he says all the calibration [redacted] is there.

north: does it work?

hakim: ((interprets))

second: he doesn't know

hakim: ((interprets)) he says the air force has told him they are there but [redacted]

second: THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

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TRUST THE AIR FORCE, BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD. AND NONE OF THEM WERE any THEY WERE NOT ((two words missed)) YOU KNOW, THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

HAKIM: ((INTERPRETS FOR [REDACTED]))

C 10456

SECOND: MY GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE CONTROL SYSTEM--THE AWG-9 FIRE CONTROL SYSTEM--radar and fire control on the airplane.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECOND: then, of course, you UNDOUBTEDLY have PROBLEMS WITH THE FILES THEMSELVES, BECAUSE THEY require a lot of care. I said you need at least two technicians, but there are different kinds of ((word missed)). they probably need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT, BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what i'm trying to say. i could look at it, but it wouldn't mean anything to me. i WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] ((MISSED))

hakim: ((interprets)) he says why don't you get your expert ((few words missed)) tuesday.

second: but i must ((few words missed)) to leave before tuesday. this is big problem for us. we will have to do some organizing. I ALSO BELIEVE THAT THERE ARE A LOT OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAPEH. not in doshantapeh but in what's the name of that place near to doshantapeh? the air force logistics uh... there's a special name for it... but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automat logistics systems just shut down.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECOND: AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [REDACTED] MISSILES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERATIONAL SOME MISSILES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAKIM: ((INTERPRETS FOR [REDACTED]))

Qorth?: ((missed))

second: at minimum ((few words missed)). there are several different M O S's involved in this area. i don't ((few words missed)). they're great missiles, but they're complicated

cave ((missed))

second: well we'd have to go to hughes, i think, and find... some volunte ((few words missed)). well, i'm coming to my bottom line now

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C 10457

north: ?where's? the answer?

second: there isn't any easy answer

north: sure there is.

second: what?

north: get them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

second: that's what i'm coming to WHAT I'M TRYING TO SAY TO [REDACTED] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT IT'S GOING TO TAKE A LITTLE BIT OF TIME.

cave: would it be better to bring them out?

second: it might be.

north: bring what out? the missiles?

second: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too, [REDACTED] on the bird?

second: i'm saying it's not a simple problem, and the white house is going to have to authorize us to send in some technicians, and then we've got to go through these steps before we do it

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCRD: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO go with them IF WE GOT OUR THREE PEOPLE But we're going to have to get OUR THREE PEOPLE Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECCRD: TO PUT IT ANOTHER WAY, [REDACTED] YOU GIVE ME THE THREE PEOPLE TOMORROW, AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FOR [REDACTED])). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). follow

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they are making a change—step six is the hawk. they want to have phoenix but then we change our position—we send also technicians who can do that, and then ... but we want three. follow me?

SECCRD: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US TO DO SOME TECHNICAL WORK—WE'VE ALWAYS TALKED ABOUT THIS, IF WE GET OUR THREE PEOPLE BACK THAT'S WHY I SAID, "YOU GIVE ME

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THE THREE PEOPLE TOMORROW, AND I'LL BET YOU HE'LL SAY
okay go get SOME TECHNICIANS next week

C 10458

HAKIM: is it okay if i say it the way i said it? he would understand it better.

NORTH: THE PROBLEM I'VE GOT IS THE WHOLE DAMN appearance of
[REDACTED] bodies. I MEAN, IF WE'RE REALLY
[REDACTED] THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO
DOING IS, THEY OUGHT TO BE EXERCIZING EVERY POSSIBLE
AMOUNT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT.
DO WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL
KINDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE
[REDACTED] leading? [REDACTED] will have? A FRIGGIN FMS CONTACT ?team?
[REDACTED] THERE [REDACTED] WE'RE TRYING TO DO IS TO close the bridge
[REDACTED] THIS SECRET SHIT, AND GET ON WITH THE REAL
RE [REDACTED]

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT
MAY HAVE BEEN. IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARLANE
WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKING
ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND
THE HOSTAGES AND GET ON WITH A FORMAL RELATIONSHIP.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: EVERYTHING WE HAVE DONE SINCE THE VERY FIRST CONTACT, WHETHER IT BE
STEP BY STEP OR WHETHER [REDACTED] ALL AT ONCE, THAT'S WHERE WE'VE BEEN
TRYING TO GO.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU GUYS DON'T TRUST US, AND WE DON'T TRUST YOU, AND SO WE END UP
DOING IT A LITTLE BIT AT A TIME, and it takes forever

HAKIM: ((INTERPRETS FOR [REDACTED]))

CAVE: ((to [REDACTED] in persian)) when i wrote this ((word missed))
we agreed with regard to technicians for the hawk missile
fine now, it is our opinion that there will be no problem
with regard to technicians for the phoenix. but this is a new
thing

[REDACTED] no. ((inaudible.))

CAVE: no. there was no problem.

[REDACTED] ((talks for about a minute. inaudible))

CAVE? ((inaudible))

CAVE? money?

CAVE? ((portion missed)) have got four million

CAVE? millions of dollars.

HAKIM: i happen to be the agent who sold them? ((few words missed))

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?north? how much were they?

north: any it is!

C 10459

((second hakim talking at the same time.))

hakim 1. at that time, it was about... close to two million dollars
(few words missed))

second: ABOUT THE LONG FOCAL length camera.

hakim: r19

second. that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND
(FEW WORDS MISSED)

SECCRD IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE OF THE AIRPLANE?

HAKIM ((asks [redacted] what system he is talking about. [redacted] does know [redacted] asks if he is talking about "oblique." north interrupts))

NORTH WE CAN GO JUMP THROUGH OUR [REDACTED] AND GET YOU A camera THAT WILL COST A MILLION DOLLARS, OR WHATEVER, AND IT WILL TURN OUT TO BE THE WORST (expletive) camera they ever try ((interpreting)) that one'

HAKIM (INTERPRETS FOR)

HAKIM HE IS NOT NEGOTIATING this.

NORTH: I UNDERSTAND THAT

HAKIM he is just advising. HE'S SAYING THE SAME WAY THAT YOU ARE TELLING ME. WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE UNITED STATES, I AM PASSING ON TO YOU THE WAY THAT WOULD OPEN THE WAY FOR ME AND FOR [REDACTED] to do things. I tell you that nobody wants me to pass this... for instance, I am not going to be costing you a thing? to send these guys... I am not trying to save some money. If you don't raise the value, the cost of these technicians, that is going to create an atmosphere, it can not be...

second: we haven't talked about cost of technicians

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THERE'S NOT GOING TO BE A COST FOR IT. I KNEW EXACTLY WHAT THE THREE THINGS YOU WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMIS FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT THAT'S EXACTLY THE THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO.

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HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: I'm telling you, WE'RE SO CLOSE TO HAVING DONE THE RIGHT THING--YOU AND I AND [REDACTED] AND THE MEN IN THIS ROOM, AND YET WE'RE GOING TO FOUL IT UP, I CAN SEE IT COMING

HAKIM: (([REDACTED] FOR [REDACTED]))

second [REDACTED] told this is a year ago.

C 10460

NORTH: I HAVE KNOWN FOR OVER A YEAR THAT YOU NEED TECHNICAL HELP, AND WE HAVE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMENT THAT I WROTE IN TEHRAN IN MAY.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: AND IT TO GOOD [REDACTED] OR WHATEVER THE HELL HIS NAME IS, I GAVE IT TO HIM. it's in that one.

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK, WE DON'T WANT YOU GUYS TO LOSE THE WAR, WE WANT AN HONORABLE SETTLEMENT AND ALL YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, AND WE'RE GOING TO DO ALL KINDS OF THINGS FOR YOU." IN FACT, HE SAID, "DON'T LIMIT YOURSELF TO THIS. THERE IS MUCH, MUCH MORE THAT COULD BE DONE. THE HOSTAGES HAVE TO GET BEYOND US. we have to get beyond them."

HAKIM: ((INTERPRETS FOR [REDACTED]))
((time out for tea))

HAKIM: ((INTERPRETS)) THEY ARE CONVINCED THAT we have ??good intentions?? HE HAS SAID IT BEFORE. HE SAID, "AFTER THINGS BROKE UP IN IRAN, AND YOU left and then I get you sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE AMERICANS HAVE good ((few words missed)). he has brought this up but he says, in other words he's saying he knows that we have ??good intentions??"

NORTH: so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE GOT TO GO?

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE UNITED STATES--A SUPERPOWER-- is it not in their power to send [REDACTED] technicians tuesday? I said, "yes it is. I can send them on monday, we can send them on sunday." [REDACTED] that's why I wanted a few minutes. THEN I SAID, "IMAM LIKE KHOMEINI--THE FIRST SHIAH IMAM for the [REDACTED] government of shi'ahs in the world-- HE DOESN'T HAVE THE POWER OF GOING TO LEBANON AND TELLING THOSE ASSHOGLES TO RELEASE THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

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~~TOP SECRET~~

north and his answer was?

hakim "NO HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T know the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE STATES IS A SUPERPOWER, AND we FORGET THAT IT'S A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: it is THE INFLUENCE THAT THE IMAM HAS OVER 10461
THOSE WHO HOLD THE HOSTAGES IS near total.

HAKIM: OF COURSE HE CAN GET THOSE PEOPLE BACK WITH ONE WORD, ONE WORD. I'M CONVINCED IT'S no bullshit. i think... he can. he can.

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] (and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY. IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES." ALL THE HOSTAGES. ALL TERRORISM STOPS. that paper talks about that.

HAKIM: I UNDERSTAND BUT YOU ARE WILLED TO STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE

HAKIM: ((INTERPRETS FOR [REDACTED]))

north: this sticks to that paper. that's part of that.

second: i don't know if he's seen it.

HAKIM: i'm trying to make a point [REDACTED] just trying to help

((hakim and [REDACTED] talk in persian.))

hakim: you gave him a copy and he has read it?

NORTH: YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM: yeah, he has read it.

second: has he read our proposal on the da'wa prisoners? i don't know if he seen it

hakim: ((interprets)).

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hakim: yeah, he liked it he saw it

hakim: ((interprets)) he said he liked the approach that you gave the paper he quoted it ((few words missed)) you could have insisted that you wanted to give the paper after ((few words missed)). he said these things open the way very important. i said, "we are willing

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~~TOP SECRET~~

how can we tell you?"

second: we have some more information on the da'wa prisoners that sam ha

NORTH: IT WAS NOT JUST GIVING YOU A PIECE OF PAPER, WE HAVE ALREADY START

CAVE: ((INTERPRETS FOR [REDACTED]) WE'VE TAKEN ACTION.

HAKIM: ((INTERPRETS FOR [REDACTED])

C 10462

HAKIM: explaining to him one american ((word missed)). if he (meaning an american)) says, "maybe i can ?do something?," he has studied the situation thoroughly more he says maybe. they ((the americans)) told you (([REDACTED]) says... in two days they have the goddamn IF THESE PEOPLE ((the americans)) HAVE GOTTEN A LIST OF THE 17 GUYS, YOU CAN BET YOUR ASS THAT THEY HAVE STUDIED IT AND EXAMINED IT AND THEY ARE TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR [REDACTED])

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECOND: WE HAVE ALSO GOTTEN A SPE [REDACTED] REPORT. sam has... on the prisoners, and some interesting info [REDACTED] on... like they haven't been visited, which is ridiculous.

((CAVE AND [REDACTED] CON [REDACTED] IN PERSIAN. UNINTELLIGIBLE.))

((second and north talk at [REDACTED] their drinks. two conversations going on at once))

north: what are we talking about

cave: we were just going over

second: ((interrupts)) he's all over the area

cave: the experts and everything? ((few words missed)) what's really needed is a group of people to go out there. they've got all kinds of problems

NORTH: WELL, OF COURSE THEY DO. I TOLD them THIS A YEAR AGO LOOK, LET ME TELL YOU SOMETHING THE PROBLEM--JUST SO WE ALL UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE BY THE UNITED STATES GOVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGES BEING HELD IN LEBANON. THIS PRESIDENT IS GOING TO GET STONED BY [REDACTED]

second: and by his own people.

NORTH: YOU KNOW IT JUST AIN'T GOING TO HAPPEN--and this effort is going to be visible

CAVE: ((INTERPRETS FOR [REDACTED])

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CAVE: HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT HE SAYS, "T
 JUST sold us SOME RADARS AND THEIR TECHNICIANS ARE IN
 TEHRAN NOW, WORKING ((few words missed.))

NORTH: I KNOW, BUT IT WASN'T DONE WITH THE AUTHORITY OF THE
 GOVERNMENT

HAKIM: ((few words missed))

C 10463

yes it was. how could it be that ((few words missed))

CAVE: ((interprets)) he says, "i don't want to say this, you know,
 destroy what we're doing."

north:

CAVE: what's the name of the radar...?

north:

the ((few words missed)) told us, "we will come with the cover story that
 we are installing the radars ((few words missed)) to ((word missing))
 the russians. of course, we will come and install them for you
 adjacent to? iraq. ((portion missed)).

CAVE: ((interprets)) ((inaudible))

NORTH: yeah but, again, the GOVERNMENT IS NOT AN ACTIVE PARTICIPANT
 THE GOVERNMENT DIDN'T

CAVE: but the other thing ((few words missed)) is that ((few words missed)) know
 ((few words missed))

north: that's true

CAVE: and he says that their ((few words missed)).

north: that's true.

second: what did he say about the kuwaiti prisoners? he wasn't interested
 in what you had to say?

CAVE: he had no comment

second: he ought to have a comment.

north: that's why? i spent seven days trying to put it all together.

((during the above exchange between cave, second and north,
 hakim and ((few words missed)) were talking in the background.
 cave continues talking quietly to north and second. most of
 what he says is inaudible.))

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1 page
C 10464

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TOTAL

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NORTH

CAVE.

NORTH

CAVE.

CAVE. ((INTERPRETS. UNINTELLIGIBLE.))

C 10465

NORTH. AND THE [REDACTED] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT.

CAVE. ((INTERPRETS FOR [REDACTED] MAKES ADDITIONAL COMMENTS TO [REDACTED] AND EXPLAINS TO NORTH [REDACTED] HE HAS TOLD [REDACTED] ONLY SNATCHES OF WHICH WERE INTELLIGIBLE.))

NORTH WHEN MCFARLANE WAS IN [REDACTED] ... and MY FRIEND [REDACTED] WAS THERE. MCFARLANE KEPT SAYING THINGS LIKE. "LOOK. PUT THIS BEHIND [REDACTED] DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THINGS. THINK BIG. THINK BEYOND THE HOSTAGES THINK ECONOMICALLY. THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HELP YOU. NOT JUST [REDACTED] PHOENIX MISSILES that's nothing. think big. and THAT'S THE IMPORTANT THING TO DO. [REDACTED] WE CAN'T THINK BIG WHEN WE'VE GOT THAT STARING [REDACTED]

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haxim he wants to get to the last issue

cave he wants us to look into the ((word missed))

north i will, i will

((CHATTER ABOUT north NEEDING AN ASPIRIN. north [REDACTED] the room))

SECCRD TELL HIM THAT IF HE JUST GOES OUT TOMORROW [REDACTED] THE NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE GO BACK IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [REDACTED] GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY; I BUILT [REDACTED] AIR FORCE-- FOUR AND A HALF YEARS on it.

HAXIM ((INTERPRETS FOR [REDACTED]))

SECCRD YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

C/IN 4525

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HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCRD WE'LL SAY THEY'RE SWISS OR SOMETHING. YOU KNOW. AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE: ((INTERPRETS FOR [REDACTED]))

[REDACTED] (LE CHATTER. north returns.))

cave: [REDACTED] forgot about those. 22 chincoks that are embargoed ((few word missed)) already paid for ((few words missed)).

north: [REDACTED] it's true.

second: [REDACTED] correct story, only i think it's only eight that are paid for. I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT, WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE: ((INTERPRETS FOR [REDACTED]))

north: [REDACTED] save you a lot of money

SECCRD we HAD the IRANIAN AIR FORCE was THE MOST WELL-SUPPLIED AIR F THE WORLD HAS EVER SEEN 1979.

north: [REDACTED] better than ours

second: [REDACTED] oh, much better. they [REDACTED] three years' of supply--combat rates--on every line item.

NORTH: [REDACTED] HOW ARE YOU GOING TO FIND LARG ISLAND?

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: [REDACTED] HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

HAKIM: [REDACTED] HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY

north: [REDACTED] why? OPEC?

hakim: ((interprets)) he says the experts know [REDACTED] ((few words missed))

NORTH: [REDACTED] BUT THAT'S BECAUSE THERE HASN'T BEEN ANY [REDACTED] done si THE WAR STARTED

HAKIM: ((INTERPRETS FOR [REDACTED]))

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HAKIM: [REDACTED] EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((FEW WOR

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MISSED)).

cave. ((few words missed)) produced five and a half million a day.

north: yeah! but he's talking about for export--you're right. one and a half million stayed home and four went out.

second: ... was lifting five and a half million a day.

north: true. four million for export and one and a half ...

hakim: ((interprets))

hakim: ... ?but? seven and a half million breaks down to ... ((few words missed)).

SECOND: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A YEAR NOW--A FEW WELL-PLACED TECHNICAL EXPERTS, IN WHATEVER FIELD THEY'RE TALKING ABOUT, IS WORTH MORE MONEY THAN THEY COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS FOR ...))

north: you know, it is real important to get these guys hot on getting ((few words missed)). it ought not to all fall to him. you know THERE'S AN IMPORTANT POINT ON THE TECHNICAL teams, AND THAT'S THAT ISSUE--IT'S JUST LIKE THE MCFARLANE trip THAT WILL BECOME PUBLIC.

HAKIM: ((INTERPRETS FOR ...))

C 10467

second: we told him that while we were out.

NORTH: WE WANT TO MAKE SURE THAT WE CAN DO IT RIGHT, AND THAT IT'S NOT GOING TO COST ANYTHING to put these people over there--it won't cost you anything. but because of the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT while these other guys are still being held.

HAKIM: ((INTERPRETS FOR ...))

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

2000: I don't think ((few words missed))

north: sure it is.

hakim: they just don't want to get their imam ((few words missed)) he could do ... just like that ((snaps fingers)) they are too lazy--that's it. they just don't want

north: it's a political risk.

cave. ((interprets for ...))

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hakim: ((to second in persian)) mr. second, when are you going to iran

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CAVE: ((in persian)) is it an official invitation?

SECOND: Iran?

HAKIM: ((in persian)) when are you going?

CAVE: ... the sixth step.

HAKIM: ((few words missed))

SECOND: ((few words missed)) no, but WE HAVE THE GUY who... I'VE
ALREADY RECRUITED THE GUY WHO

HAKIM: INTERPRETER

SECOND: ... just retired from the army.

((knock at door.))

NORTH: whoa, whoa, whoa, whoa, whoa--who's that? who is that?

((someone calls, "who is it?"))

SECOND: look through the hole.

((hakim calls to ... leaves room. chatter
about a chinese restaurant))

SECOND: what's ... doing here

HAKIM: ... asked him to come.

C 10468

SECOND: why?

HAKIM: gentlemen, ... IS RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS ... HE
OWNS this SHIPPING COMPANY, HE'S THE ONLY GUY IN TOWN--
-IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND
DANCING AND OPIUM. HE PROVIDES MONEY ...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECOND: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO ... all
kinds of things for the iranian government. ...
AFRAID THAT HE'S BEING KICKED OUT OF THE ... AND ...
turns ... against me, he turns ... at the ...
... he does all kinds of things. he is a nigger in the ...

NORTH: the woodpile.

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hakim: right.

north: ((missed))

cave: well there had to be one of those.

SECOND: WHILE YOU WERE OUT OF THE ROOM THAT HE WAS
 HAVE THE PROBLEM OF THE THREE HOSTAGES,
 right? he said it again, BUT WE DON'T KNOW HOW.

NORTH: I DON'T CARE HOW RIGHT NOW.

SECOND: DON'T CARE HOW EITHER, EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: I CAN'T. I KNOW THAT.

NORTH: I KNOW, YOU SAID IT YOURSELF. THE ONLY THING THAT WAS
 NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND THE SITUATION IS RIPE FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) HAS TO ((few words
 missed)).

SECOND: I didn't know that they ?saying? ...

?hakim? is staying here?

NORTH: NO going

CAVE: HOW'S HE GOING TO DO IT FROM HOW'S HE GOING
 get THOSE GUYS RELEASED

hakim: he's supposed to have the oddamn thing out. C 10469

SECOND: by friday?

hakim: pardon me?

SECOND: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of
 sentence missed)).

SECOND: ((missed))

NORTH: i thought i had a copy of the original agreement from tehran.

CAVE: there have been so many agreements ...

NORTH: no no no, there was only one of those.

SECOND: yeah, but that was never an agreement.

CAVE: i remember that; i wish i would have written the english, then
 i could have translated, for could have translated, into fa

NORTH: i think she did a very good job, given it was both ((few words
 missed))

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home i'm willing to go.

((chatter))

cave: of shish! you know, there's a chinese restaurant that looks like a dive in frankfurt, and there's a sign ((few words missed)) in farsi "ghazaye irani."

second: where, in frankfurt?

north: what's ghazaye irani mean?

cave:

second: are we going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. i am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat, i'm going to eat. i have not eaten yet today.

hakim: what in the hell was that ((few words missed))?

north: that wasn't eating. that was standing up on the ((word missed)) my idea ((few words missed)).

cave: do you have an extra envelope?

north: do i have an extra envelope? what do you want to put in it?

cave: ((few words missed)). but i've got to get back. 10470

north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something. what do i tell him? no deal?

hakim: what are you talking about?

second: no, no, no, no, no. we're getting our two off this weekend. we're not ... i'd like to see us get it though. the thing that befuddles me is i don't UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO CAB THREE IN ONE STROKE.

NORTH: I DON'T EITHER.

HAKIM: BECAUSE, I THINK ... YOU WANT AN ANSWER ... BECAUSE they can't have enough ... you see they do not want TO USE KHOMEINI IF YOU put that aside--that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

second: if they send an order to the revolutionary guard to get them, then...

HAKIM: NOW WHERE THEY ARE. they know ((few words missed)).

CAVE: THEY KNOW WHERE THEY ARE.

HAKIM: O. THEY KNOW WHO'S got THEM.

second: THEY KNOW WHERE THEY ARE, TOO, i'll bet you. YOU THINK BECAUSE I DON'T KNOW WHERE THEY ARE?

NORTH: A SHOCK OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY OFFERED TO give us... tell us where they are?.

NORTH: WELL, I'LL TAKE THAT deal right now.

SECOND: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO. GIVE US THREE AND THE LOCATION OF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE'S TEN AMERICANS MISSING, gang. SIX.

SECOND: i think YOU YOURSELF KNOW THAT THE PALESTINIANS ARE INVOLVED IN SOME OF THIS action.

NORTH: I THINK THAT THE LIBYANS WERE PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW ((FEW WORDS MISSED.))

SECOND: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

cave: but they're certainly involved in those other... 471
((few exchanges missed))

NORTH: we THINK THAT THERE was a contract job done

((end of minitape))

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Chapter 14, Footnotes

166-167,

3 February 1987

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264-267

MEMORANDUM FOR THE RECORD**SUBJECT: FRANKFURT TAPES**

14-248

TO: Charles Allen
NIO Counterterrorism
CIA

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.



Classify On: Original Agency's Determination Required

Partially Declassified; E.O. 11652 on 1/26/88 -
 under provision of E.O. 12958
 by B. Rosen, National Security Council

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((TAPE A11))

2.14-166-167

C 313

([REDACTED]) AND ANOTHER PERSIAN, APPARENTLY [REDACTED]
 CONVERSING. ONLY ISOLATED WORDS AND PHRASES
 CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.)

((END TAPE A11))

((TAPE A12))

([REDACTED]) AND ANOTHER PERSIAN, [REDACTED]
 CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.
 CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A
 TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL
 ORDERING BREAKFAST FOR ROOM [REDACTED] HAKIM ARRIVES.
 HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER.
 SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE
 (THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE
 MEETINGS.) LATER, PHONE RINGS AND [REDACTED] TALKS
 BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.)

((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM,
 [REDACTED] AND [REDACTED] TELEVISION ON. ONLY ISOLATED
 PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING
 READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW.
 VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING
 ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM.
 SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [REDACTED]
 AND [REDACTED] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE.
 THEN:))

SECOND: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME.
 BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECOND: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING-
 DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

SECOND: OUR GROUP, WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

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 by B. Regan, National Security Council

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AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS; YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECOND: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECOND: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECOND: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE, IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [REDACTED] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECOND: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECOND: TILL WE PREPARE TO GO FORWARD, TILL WE GET READY TO MOVE FORWARD, YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUGH THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECOND: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF, BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

CAVE: ((INTERPRETS))

SECOND: THE NEXT POINT IS RELATED TO THIS POINT, AND THIS HAS TO DO WITH

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CAVE: ((INTERPRETS))

SECOND: [REDACTED] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECOND: [REDACTED] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES, FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECOND: HE TALKS ON THE TELEPHONE ALL THE TIME. [REDACTED] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECOND: [REDACTED] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [REDACTED] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECOND: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR.

CAVE: ((INTERPRETS))

Incredible that second only investigate against Ghorba

SECOND: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECOND: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEMS. WE WANT TO GET OUR HOSTAGES OUT, WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [REDACTED] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [REDACTED] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECOND: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS HE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO. AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

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HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT, THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [REDACTED] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO ?THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECOND: BUT THEY GIVE [REDACTED] MONEY. THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED], NOT ONLY [REDACTED] BUT IN THE CONTEXT OF ALL THE OTHER ?IRANIANS?-- THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECOND: IN OTHER WORDS, HE AGREES WITH ME.

CAVE: ((INTERPRETS)) ((INAUDIBLE))
((SEVERAL EXCHANGES INAUDIBLE)).

CAVE: ((INTERPRETS)) [REDACTED] HAS TOLD EVERYTHING ?HE KNOWS? TO [REDACTED]?
((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [REDACTED] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [REDACTED] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECOND: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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((END OF TAPE A13))

((TAPE A13))

C 317

CAVE: ((INTERPRETS)) HE SAYS IF YOU'D ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME. HE SAYS HE HAD TEN CALLS FROM [REDACTED] ASKING WHERE HIS MONEY WAS.

SECOND: MY SUGGESTION IS THAT WE SIMPLY TAKE [REDACTED] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [REDACTED] AND, THROUGH [REDACTED] WITH THIS GROUP.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS, TRYING ONLY TO SET HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECOND: THAT IS OUR RESPONSIBILITY. WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECOND: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [REDACTED] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM, HE WAS INVOLVED IN THE [REDACTED] THING. WE DIDN'T KNOW THAT, AND YOU KNOW THAT THE [REDACTED] WERE VERY INTERESTED IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO [REDACTED] GHORBANIFAR

SECOND: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECOND: I THINK THE EVIDENCE WE GOT, [REDACTED] DID WE NOT?

CAVE: ((INTERPRETS))

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C 318

((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST, AND HE'S AFRAID THAT IT MIGHT BE DISASTROUS? ((FEW WORDS MISSED)).

SECORD: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECORD: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES, BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY...

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED)) PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US, AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECORD TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECORD: NORTH WANTS TO TALK. LET'S FINISH THIS.

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

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CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS, BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED)).

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SECOND: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECOND: IF [REDACTED] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECOND: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THIN THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))." AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WORDS MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECOND: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECOND: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECOND: [REDACTED] ... THAT'S THE REAL SOLUTION.

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE. AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE PHONE CALL?" THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECOND: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECOND: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECOND: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN, I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECOND: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECOND: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECOND: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)). ((PHONE RINGS)) SECOND SAYS TO PARTY ON PHONE. "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN. AND THAT'S PART OF THE PROBLEM.

((KNOCK ON THE DOOR))

?NORTH? ARE YOU FINISHED?

SECOND: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECOND: YEAM ((THEN, SPEAKING TO [REDACTED]) NOW, WE HAVE NOT SOLVED THAT PROBLEM. AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECOND: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

((CAVE AND [REDACTED] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES

NORTH: GOOD MORNING.

CAVE: I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECOND: BEFORE WE START?

CAVE: YEAR. UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEAS
THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TURN
THEM OVER TO THE SYRIANS. LET THEM RELEASE THEM, AND THEN SAY
SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING
WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN
CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TO
THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPE
THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECOND: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDL
GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECOND: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECOND: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET
THIS DOWN.

((PORTION INAUDIBLE.))

SECOND: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WITH
THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING.

((MUTTERING IN THE BACKGROUND: ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES-
AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED))
BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT
THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?AL
THIS? AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM.
((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

NORTH: NO. WE GOT TWO SITTING UP IN.

CAVE: I DON'T GIVE THEM THE. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA. WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS,
JUST ENTER THE CODES, BUT I HAVE TO GET THEM OUT OF GENEVA.

SECOND: WELL, WE LIKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

CAVE: *CHINDOLE* EXPLAINS TO [REDACTED] THAT THEY MAY NOT BE ABLE TO GIVE THEM [REDACTED]

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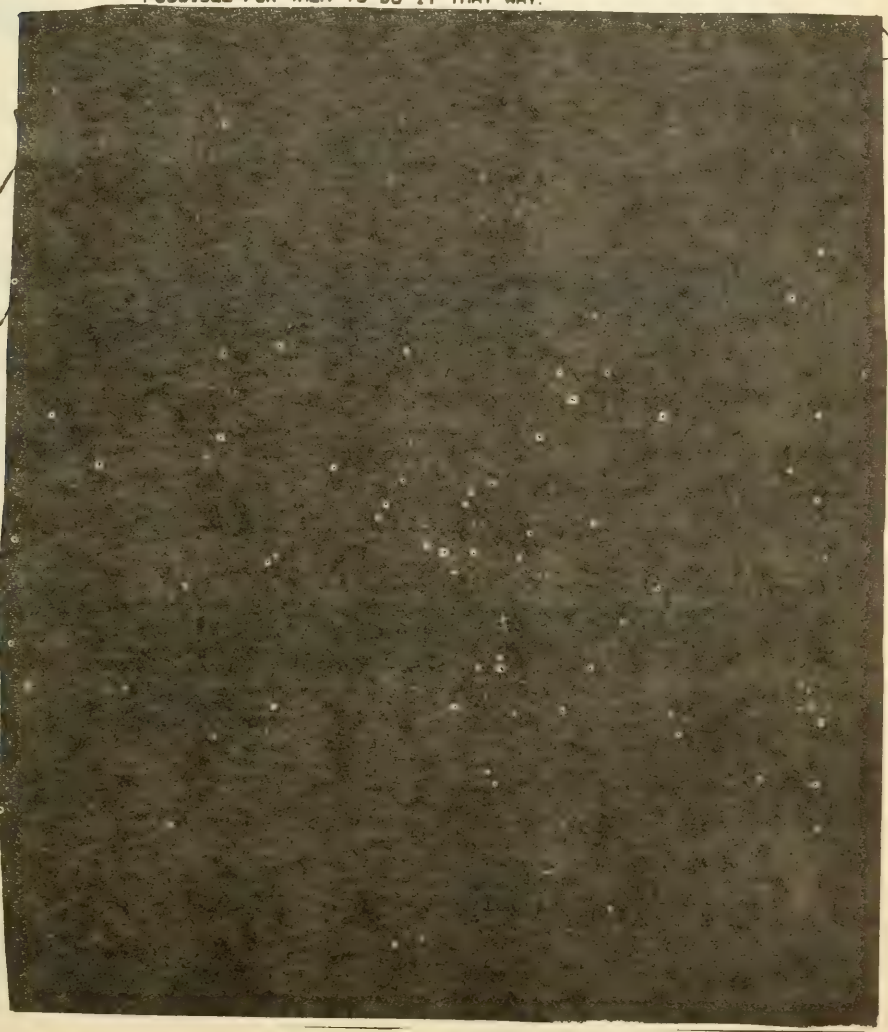
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PHONE))

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CAVE:

((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

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2 pages

C-323 to C-324

DENIED IN
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((TAPE A17))

C 10434
Chapter 14
Footnote 250 251

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276-277

NORTH. SHALL I TAKE THEM ON THE SAME GUIDED TOUR THAT YOU GOT OF THE WHITE HOUSE?

CAVE. ((INTERPRETS))

CAVE. ((INTERPRETS)) HE SAYS IT WOULD BE A GOOD IDEA TO HAVE ((FEW WORDS MISSED)).

NORTH. ((MISSED))

CAVE. ((MISSED))

14-249 to 259

SECOND. NUMBER TWO TO SHULTZ.

CAVE. ((INTERPRETS))

CAVE. [REDACTED]

CAVE. ((INAUDIBLE))

CAVE. WRITES THAT

SECOND. HE SAID THIS IS ALL A JOKE.

CAVE. ((LAUGHS))

CAVE. [REDACTED]

NORTH. IS THAT RIGHT. HE'S A SMART MAN.

CAVE. [REDACTED]

SECOND. THAT'S VERY DIFFICULT TO DO.

CAVE. ((INTERPRETS)) ((FEW WORDS MISSED)) ALSO A MULLAH.

NORTH. IS THAT RIGHT. HOW OLD IS HE?

CAVE. ((INTERPRETS))

CAVE. ((INTERPRETS)) AND HE IS A VERY CLOSE FRIEND OF HIS [REDACTED]

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under provision of E.O. 12958
By B. 2007, National Security Council

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C 10435

CAVE. [REDACTED]

CAVE ((INTERPRETS)) [REDACTED] NOT ((FEW WORDS MISSED)).

SECOND WHAT HAPPENS AFTER, UH LET US ASSUME THAT SUNDAY AFTERNOON WE DO ALL THIS COORDINATION AND THESE TWO PEOPLE ARE RELEASED AND UH, WHAT DOES HE ENVISION THE NEXT STEP IS? WHAT DO WE DO?

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE'S GOING TO GIVE YOU HIS PERSONAL OPINION

CAVE ((INTERPRETS)) OK, WHAT HE'S THINKING OF IS, HE SAYS THIS, WHAT THEY WOULD LIKE--HERE'S WHAT HIS PROPOSAL IS AND HOW HE SEES IT. WE GO AHEAD WITH THE HAWK SPARES. THEY'LL PAY THE MONEY FOR THEM AND SHIP THEM. I GUESS THE MEDICINE WILL BE ON THAT AS WELL.

NORTH ((MISSED))

CAVE ((MISSED))

NORTH OH THAT'S RIGHT. THEY'RE ((FEW WORDS MISSED))

SECOND THEY'LL GO WITH THE BOIES

CAVE ((SENTENCE MISSED)) WHAT DID I JUST SAY

SECOND YOU SAID THE NEXT STEP WOULD BE THE HAWKS.

NORTH LET ME JUST. PAY FOR HAWK SPARES IS THE FIRST STEP
SECOND

SECOND SHIP THE HAWK SPARES.

NORTH SHIP THE HAWK SPARES

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE SAYS THAT THE MONEY IS ALREADY IN FRANKFURT

SECOND BUT HE SAID THAT [REDACTED] IS COMING [REDACTED] AND

CAVE I'LL GET INTO THAT. AND WHAT HE SAYS THEY WOULD LIKE TO DO IS ((REMAINDER OF SENTENCE MISSED)). I TOLD HIM THAT IT'S GOING TO BE DIFFICULT TO GET SOMEONE ((FEW WORDS MISSED)) THAT HE WANTS IS

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C 10436

NORTH WHAT WE DON'T KNOW. I'VE BEEN ON THE PHONE HALF THE NIGHT ON TECHNICIANS, OK? I HAVE A TECHNICIAN LINED UP, BUT I AM TOLD THAT THEY ARE NOT ANXIOUS TO SHIP TECHNICIANS WHILE HOSTAGES ARE BEING HELD.

CAVE ((INTERPRETS))

NORTH THIS IS WHAT HE TOLD ME. HE SAID, 'OKAY, IT WILL BECOME PUBLICLY KNOWN.'

CAVE ((INTERPRETS))

CAVE I TOLD HIM; HE SAID, 'NO I DON'T THINK.' HE SAID HE DOESN'T THINK IT WOULD BECOME

NORTH [REDACTED]

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE SAYS THAT ONE THING YOU SHOULD KNOW (FEW WORDS MISSED) IS THAT THE 'POLEPARANES' HAVE ALL BEEN TAKEN OVER BY THE P-BOARS. THEY'RE UNDER THEIR CONTROL.

NORTH EVEN THE PILOT? HE IS THE ONLY ONE WHO WOULD HAVE IT? (FEW WORDS MISSED)

CAVE IN RE-BORN. DO YOU HAVE A PILOT?

NORTH IN RE-BORN. YES.

CAVE FOR THE F-14'S?

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE SAYS (FEW WORDS MISSED) [REDACTED] AND HE WOULD BE THE GUY THAT YOUR EXPERT WOULD BE IN CONTACT WITH.

CAVE ((INTERPRETS)) HE SAYS DON'T WORRY ABOUT IT COMING OUT IN IRAN (FEW WORDS MISSED) MCFARLANE. ((LAUGHTER))

NORTH FIVE MILLION COPIES OF HIS PICTURE? (FEW WORDS MISSED) IT IS NOT THAT WE DO NOT TRUST YOU OR YOUR PEOPLE--THAT'S NOT THE PROBLEM. THE PROBLEM IS THAT IT'S POLITICAL ON OUR SIDE IF IT DENIES PUBLIC KNOWLEDGE AND THERE ARE STILL HOSTAGES BEING HELD.

CAVE ((INTERPRETS))

CAVE CUN4523 ((INTERPRETS)) HE IS GIVING US... HE SAYS LOOK THIS TO DO

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C 10437

THIS ... IT WOULD BE AN IMPORTANT POLITICAL STEP TO DEMONSTRATE
((FEW WORDS MISSED)).

NORTH: ((WORD MISSED)) WE'VE GOT THE GUY. I THINK SOMEBODY'S SIGNING
THE CONTRACT WITH HIM RIGHT NOW--WELL NOT YET. IT'S ONLY SIX IN
THE MORNING.

CAVE: ((INTERPRETS)) HE SAYS WHAT HE'S ASKING IS THAT YOU GUYS GOT
TO GO BACK TO WASHINGTON AND CONVINCE THE RESPONSIBLE OFFICIALS
TO DO THIS ((FEW WORDS MISSED)).

NORTH: THE GUY WE'VE GOT--I THINK--IS A FORMER MILITARY GUY. HE'S A
FORMER NAVY GUY WHO NOW WORKS FOR ... HUGHES.

SECURE: I THINK SO. LISTEN. WE CAN GO BACK AND TRY TO CONVINCE WASHINGTON
OF A LOT OF THINGS. BUT AFTER SUNDAY WE WILL HAVE STILL AT LEAST
ONE HOSTAGE THAT WE SCORE OR COUNT AGAINST IRAN--AT LEAST ONE.
I THINK THAT IT'S HIGHLY UNLIKELY THAT WE WOULD BE ALLOWED TO
SEND TECHNICIANS INTO IRAN, TO ISFAHAN, UNTIL WE GET THAT GUY OUT.
SO WHY CAN'T WE DO SOMETHING TO GET THE GUY OUT? THAT'S WHAT I
WANT TO TALK ABOUT.

CAVE: ((INTERPRETS))

((IN PERSIAN)) I'LL TRY TO RESOLVE THAT TOO.

SECURE: SEE. IT'S VERY IRONIC. WHAT THEY'RE DOING IS HOLDING THEMSELVES
HOSTAGE BECAUSE OF ONE GUY.

CAVE: ((IN PERSIAN)) IT'S A POLITICAL ISSUE. WE THINK WE CAN HAVE
SOMEBODY. BUT BEFORE WE SEND HIM, WE HAVE TO GET THE PRESIDENT'S
PERMISSION.

CAVE: ((INTERPRETS)) HE SAYS THAT THERE'S A KIND OF WAR OF
NERVES. HE SAYS THAT ... FIRST HE SAYS LOOK, I ...
YOU GUYS HAVE PROBLEMS ((FEW WORDS MISSED)) I MEAN I
CAN'T GET INVOLVED IN THAT BECAUSE I DON'T UNDERSTAND
YOUR PROBLEMS AND YOU'RE GOING TO HAVE TO WORK ON
THEM YOURSELVES. ((FEW WORDS MISSED)) HE SAYS BUT
((FEW WORDS MISSED)) ((FEW WORDS MISSED))
HAS BEEN TAKEN ON THE SUBJECT OF THE PHOENIX ((FEW
WORDS MISSED)) THAT 1700 WE ((FEW WORDS MISSED)), AND
HE'S PUT AN AWFUL LOT OF PRESSURE ON ... ON THE
ISSUE OF THE PHOENIX, AND HE SAYS IT'S ALMOST BECOME
LIKE A WAR OF NERVES BECAUSE ... HAS ALSO
TALKED TO HIM ABOUT THE PHOENIX, AND HE SAYS THAT ...

NORTH: HE'S TALKED TO EVERYBODY ABOUT IT ...
TALKING PHOENIX. EVERYBODY'S TALKING

CAVE: BUT HE SAYS THAT THIS IS ONE OF THE THINGS THAT HAS REALLY
HE'S BEEN TAKEN WITH, AND THIS WAS ONE OF THE REASONS WHY
HE BROUGHT IT UP. TO EXPLAIN ((ONE WORD MISSED)) HERE IS
THE AMOUNT OF PROGRESS TO BE MADE IF WE WOULD SEND A TECHNICIAN
AND JUST LOOK AT THE PHOENIX.

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C 10438

SECOND: WE UNDERSTAND THAT.

[REDACTED]

CAVE ((INTERPRETS)) ((FEW WORDS MISSED)) HE ALREADY TOLD THEM. HE SAID, "HEY, LOOK, THERE IS NO CHANCE THAT THE UNITED STATES IS GOING TO SEND PHOENIX MISSILES TO US."

NORTH: TRUE

[REDACTED]

CAVE ((INTERPRETS)) AND HE SAID... HE ADDED... HE SAID ONE OF THE REASONS THEY'RE SO HOT ON TRYING TO GET WORKING THE 70 SOME PHOENIXES THAT THEY'VE GOT, IS BECAUSE THEY KNOW THAT THEY CAN'T GET ANY MORE.

NORTH: YOU KNOW THERE ARE STILL PEOPLE OUT TRYING TO BUY PHOENIXES THEY OUGHT TO SAVE THEIR MONEY.

CAVE ((INTERPRETS))

NORTH: A WASTE OF TIME AND MONEY.

[REDACTED]

CAVE ((INTERPRETS)) HE SAYS WE DON'T WANT ALL OUR WORKERS IN THE MINISTRY OF DEFENSE TO BE OUT OF WORK. (LAUGHTER)

SECOND: LOOK, WE'RE STILL NOT BEING RESPONSIVE TO THE POINT. I THINK WE UNDERSTAND THE PRESSURE ON THE PHOENIX. WE'VE UNDERSTOOD IT FOR A LONG TIME. BUT IT MAKES NO SENSE TO ME WHY THEY WOULD WANT TO HANG ON TO... OR NOT GRAB THOSE OTHER SCRAMBLES. IT MAY BE YOU WOULD----BECAUSE THAT PRESENTS A BIG, BIG PROBLEM FOR US. IT'S A BIG PROBLEM FOR THEM. WHY NOT JUST GET HIM THE HELL OUT OF THERE AND LET US ROLL?

CAVE ((INTERPRETS))

[REDACTED]

CAVE ((INTERPRETS)) HE SAYS "WE DON'T CARE WHAT YOU SAY. HE'S GOING TO TELL THEM WHEN HE GETS BACK (WORD MISSED) THAT YOU PROMISED TO SEND HIM." (LAUGHTER)

SECOND: BUT HE'S STILL NOT TALKING ABOUT THE GOD DAMNED HOSTAGE THING. WE NEED TO GET TO THIS... WE NEED TO GET THIS OFF THE TABLE.

NORTH: THAT IS IMPORTANT.

CAVE: THAT IS IMPORTANT. (IN PERSIAN AGAIN) [REDACTED] ABOUT THE STATUS OF THE OTHER HOSTAGE--THE ONE WHO WILL REMAIN AFTER TWO ARE RELEASED?

[REDACTED] ASKS: GAVE THE TOTAL NUMBER OF HOSTAGES?

CAVE: THERE ARE SIX LEFT RIGHT NOW, RIGHT?

NORTH: *CHAL* YEAR, TODAY, YOU WANT THEIR NAMES? SUTHERLAND, JACOBSEN, 1-5

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C 10439

ANDERSON, CICIPPLO, REED, AND AUSTIN...UH, AUSTIN
TRACY

CAVE ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) IS THIS THE ONE
THAT LARRY SPEAKES SAYS IS A BOOKSELLER? ((FEW WORDS MISSED))

NORTH YEAR HE'S ACTUALLY

CAVE HE ASKED ME, 'HAVEN'T THE SYRIANS GOT SOMETHING TO DO WITH
IT?'

NORTH 'I DON'T KNOW' IT'S PROBABLY THE LIBYANS.

CAVE ((INTERPRETS))

NORTH 'TELL YOU, YOU GUYS JUST TELL US WHERE THEY ARE.' [REDACTED]

CAVE ((INTERPRETS))

CAVE [REDACTED]

NORTH [REDACTED]

YOU ONCE OFFERED TO TELL US WHERE
THEY WERE.

CAVE ((INTERPRETS))

CAVE [REDACTED]

AND WE
WOULD ((FEW WORDS MISSED)) DEFEND OUR TERRITORY ((FEW WORDS
MISSED)) " NOW, HE SAYS, "LOOK, I'LL TELL YOU WHAT I'LL DO
YOU SEND THAT TECHNICIAN TO HELP US WITH THE PHOENIXES. I WILL
PERSONALLY GET THE THIRD GUY OUT. AND I COULD TELL YOU WHERE
THE REST OF THE GUYS ARE. I WILL LEARN WHERE THEY ARE. I WILL
FIND OUT WHERE THEY ARE."

SECOND HE DOESN'T KNOW WHERE THEY ARE.

CAVE "WHAT HE SAID ON THAT WAS HE SAID THAT WHEN WE DISCLOSED
THIS BEFORE [REDACTED] HE DOESN'T KNOW WHAT [REDACTED] HAS BEEN ABLE TO
FIND OUT ((FEW WORDS MISSED)) BUT [REDACTED] WAS GIVEN THE "MISSION"
YOU KNOW, LIKE HE TALKED BEFORE OF FINDING OUT WHERE THE OTHER
TWO GUYS ARE."

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CAVE ((INTERPRETS))

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NORTH: HOW MANY [REDACTED]
 CAVE: THEY'VE GOT [REDACTED] DON'T THEY--HOSTAGES?
 NORTH: I'VE PUT IT DOWN. I THINK IT'S [REDACTED] I'LL GIVE YOU THE LIST.
 CAVE: AND HE SAYS THAT HE'S CERTAIN THAT IF ANY PROGRESS CAN BE MADE ON THIS KUWAITI THING....

[REDACTED]
CAVE

NORTH

CAVE
[REDACTED]

CAVE

NORTH

SECOND

CAVE

SECOND

NORTH

LOOK. I'LL GET YOU A TECHNICIAN. ALRIGHT? I DON'T KNOW IF HE'S GOING TO BE THERE TUESDAY OR NOT. BUT, BY GOD, WE'RE GOING TO GET A TECHNICIAN. I THINK WHAT WE OUGHT TO DO IS THIS. WE OUGHT TO PLAN TO SEND A TECHNICIAN ALONG WITH THE HAWK PARTS.

CAVE

(INTERPRETS, THEN IN ENGLISH) I TOLD HIM WE MIGHT EVEN SEND TWO.

SECOND

TELL HIM I'LL MAKE HIM A DEAL. GIVE ME ONE OF HIS F-4'S. I'LL GO SHOOT DOWN SOME AIRPLANES. I'LL GET AT LEAST THREE ON THE FIRST DAY.

CAVE

(INTERPRETS)

[REDACTED]
SECOND

WE'LL PUT [REDACTED] IN THE BACK SEAT

CAVE

(INTERPRETS)

(LAUGHS) CJIN 4523 DEBET

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C 10441

AVE ((INTERPRETS)) HE SAID IT WOULD BE A PITY IF YOU GOT KILLED.

RECORD: HOW WOULD I GET KILLED BY AN IRAQI PILOT? IMPOSSIBLE

ORTH: ALRIGHT. I'LL HOLD YOU AT YOUR WORD, BECAUSE I'M GOING TO PRODUCE THE TECHNICIANS

RECORD: YOU BETTER GET READY TO GO TO LEBANON!

AVE ((INTERPRETS))

AVE ((INTERPRETS)) HE SAYS, AS OF THE TIME HE LEFT TEHRAN. HE SAYS DON'T WORRY ABOUT THE ONE GUY. HE SAYS THAT HE'LL BE FREE. THE OTHER TWO. HE SAID AS OF THE TIME.

ORTH: TWO?

AVE: WELL, THERE ARE THREE. AS OF THE TIME HE LEFT TEHRAN. WELL THEY WERE JUST LOOKING FOR TWO, YOU KNOW, BECAUSE THE OTHER GUY WAS TAKEN. HE SAID THERE WAS NO WORD ON PRECISELY WHERE THEY WERE.

RECORD: HE MEANT THEY MAY GET HARD TO FIND.

AVE ((INTERPRETS)) WHAT HE SAYS IS ((FEW WORDS MISSED)) ONE OF THE THINGS THAT IS ((FEW WORDS MISSED)) POLITICAL AND DEFENSE PROBLEM WHICH IS THE CONTINUED ATTACKS ON CITIES BY THE IRAQI AIR FORCE. AND YOU KNOW, THEY FOCUSED ON THE PHOENIX AS THE ONE WAY THEY CAN DO SOMETHING ABOUT IT.

ORTH: WELL, YOU KNOW, WOULD YOU DO ME A FAVOR AGAIN? AGAIN TODAY? ((FEW WORDS MISSED)) RESERVATIONS ((FEW WORDS MISSED)) LAUGHING. BECAUSE I HAVE NO IDEA WHAT MY ((FEW WORDS MISSED)) FLIGHT PLAN IS.

RECORD: IN

AVE ((INTERPRETS)) HE SAYS WHAT IS A GOOD IDEA ABOUT BRINGING THEM IN WITH THE HAWKS IS THAT THEY'LL THE PASADENA CAN TAKE CONTROL OF THEM WHEN THEY ARRIVE IN ABANDAR ABBAS ((FEW WORDS MISSED))

ORTH: NOW WE NEED TO RESOLVE THE DISCREPANCY IN THE HAWK PARTS DOES HE NOT WANT US TO SHIP 15?

AVE ((INTERPRETS))

AVE ((INTERPRETS)) ((FEW WORDS MISSED))

ORTH: WELL HE IS ASKED FOR ANOTHER 1000?

RECORD: WE DON'T KNOW WE'RE WAITING TO HEAR FROM THEM.

AVE ((INTERPRETS)) HOW MANY MORE DO YOU NEED?

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C 10442

DAVE: (INTERPRETS) HE SAYS THAT THEY'VE GOT PLENTY OF HANK PARTS. HE SAYS THE ARMY'S GOT A SERIOUS PROBLEM. HE SAYS THE GUY IN THE MINISTRY OF DEFENSE CALLED HIM THE NIGHT BEFORE HE LEFT AND SAID, "I UNDERSTAND YOU GUYS GOT A LOT OF TOWS, AND WE NEED SOME."

SECOND: DOESN'T HE REPRESENT THE ARMY TOO?

DAVE: (INTERPRETS) HE SAYS THAT WHEN THEY GOT THOSE TOWS THAT [REDACTED] GOT, THEN HE WENT TO THE REVOLUTIONARY GUARD CORPS.

SECOND: BUT THE QUESTION REMAINS, DO THEY WANT MORE TOWS OR NOT. IF SO THEY HAVE TO ORDER THEM.

DAVE: (INTERPRETS)

DAVE: (INTERPRETS) NO, MANY WERE IN THE PROGRAM. THERE WAS ANOTHER 500,000, I THINK, THAT HE WERE GOING TO SEND. LATER.

NORTH: WE SAID WE COULDN'T DEAL WITH THE "ONE WORD MESSAGE." I DON'T THINK WE PLANNED ANYTHING, BUT WE HAVE.

SECOND: THE PLAN SAYS ANOTHER 500, WE COULD SEND MORE. IF WE'D GET THE HOSTAGES OUT, IT DEPENDS ON WHAT OTHER COUNTRY.

NORTH: IF YOU GET THE HOSTAGES OUT, WE'LL BE TALKING A MILLION OF THEM. WE'LL HAVE TO GO TO PAY FOR THEM. IF YOU GUYS WOULD GET THEM ALL TOGETHER, WE COULD OPEN UP AN ACCOUNT AND YOU'D GET A BETTER PRICE ON THEM.

DAVE: (INTERPRETS)

NORTH: IF WE OPEN AN EMBASSY.

[REDACTED] COULD UNDERSTANDING WHAT NORTH SAID. NO PROBLEMS.

SECOND: BUT IN THE IMMEDIATE FUTURE, THEY WANT TO.

DAVE: (INTERPRETS) IF YOU OPEN (AN EMBASSY), THERE, YOU'RE JUST GOING TO CREATE ANOTHER HOSTAGE CRISIS. (GENERAL LAUGHTER)

SECOND: IN THE IMMEDIATE FUTURE, THEY'RE GOING TO HAVE TO TELL US. I YES, THAT SURELY WE HAVE TO GET TOGETHER. NOW HE SAID [REDACTED] WAS COMING. [REDACTED] WE NEVER GOT BACK TO THAT.

DAVE: YOU SAID TO MAKE THE ARRANGEMENTS FOR [REDACTED] TO COME OUT.

NORTH: WELL, DO YOU WANT TO BRING [REDACTED] INTO WASHINGTON?

DAVE: (INTERPRETS)

[REDACTED] YES, THERE IS NO PROBLEM WITH THAT.

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C 10443

CAVE: ((IN PERSIAN)) BUT FOR THAT SAME THING ((FEW WORDS MISSED))
WHAT DO YOU WANT ((FEW WORDS MISSED)) 500 MORE TONS OF HAWK
PARTS?

NORTH: WHY CAN'T WE JUST BRING HIM TO WASHINGTON INSTEAD OF ((FEW WORDS
MISSED))

((ANSWERING CAVE'S LAST QUESTION)). NO THE STIPULATED
PROGRAM HAS TO BE CARRIED OUT ((REMAINDER MISSED))

CAVE: ((APPARENTLY INTERPRETING THE LAST PART OF
COMMENT)) WHERE IS THAT NINE-POINT PROGRAM?

NORTH: DOWN IN MY ROOM. WANT ME TO GET IT?

CAVE: YES. AND IS THERE A PERSIAN COPY OF IT?

SECOND: WE GAVE HIM ONE. REMEMBER?

CAVE: WE DID?

SECOND: YES.

NORTH: I LOOKED OUT OF MY ROOM.

((MISSED))

SECOND: ((PORTION MISSED)) I COULD HAVE GONE 15 MINUTES AGO.

NORTH: WELL YOU OUGHT TO GO.

SECOND: WHEN IS HE GOING BACK, TOMORROW?

CAVE: ((INTERPRET))

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CAVE: ((INTERPRET)) HE'S LEAVING TOMORROW AT TWO.

NORTH: WHY CAN'T WE BREAK FOR A FEW MINUTES?

SECOND:

CAVE:

CAVE:

SECOND:

NORTH:

SECOND:

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OR:

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C 10444

ORTH.

AVE.

AVE:

ORTH

RECORD

YOU'RE EXACTLY RIGHT YOU'VE GOT THAT FIGURED OUT

ORTH

I WANT TO GET BACK TO THE STATES I'VE GOT SO MUCH GODDAMN WORK

AVE

INTERPRETER: ANOTHER THING THAT YOU'VE GOT TO FOLLOW UP ON
(FEW WORDS MISSED)

ORTH

(FEW WORDS MISSED) SADDAM HUSAIN

AVE.

YES

ORTH

ONE STEP AT A TIME MY FRIENDS OK (FEW WORDS MISSED)

AVE.

IN PERSIAN TO [REDACTED] DON'T WORRY ABOUT IT

AVE

INTERPRETER: WHAT THEY WANT TO KNOW IS SHOULD THEY MEET WITH
THEY SAY OR NOT

ORTH

(ONE OR TWO WORDS MISSED) YES

AVE

(IN PERSIAN) YES MEET WITH HIM NO PROBLEM

ORTH

AND TELL HIM JUST THE SAME THING THAT WE'RE SAYING

AVE.

(IN PERSIAN) DON'T YOU WANT SADDAM TO LEAVE ((POWER))

OF COURSE BUT WE DON'T WANT TO ((FEW WORDS MISSED)) WITH THE
ARAB ((FEW WORDS MISSED))

RECORD

IF THE RELATIONSHIP GOES FORWARD LIKE WE ARE TALKING ABOUT--IF
(MISSED)

RECORD

IF IT GOES FORWARD

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AVE.

INTERPRETER: ((TWO WORDS MISSED)) ONE OF THE GUYS THAT THEY
WERE SUGGESTING TO TALK GO TALK TO ((WORD MISSED)) WOULD BE

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C 10445

CAVE: YEAH, AND HE SAYS ((FEW WORDS MISSED)) A VERY VERY SERIOUS PERSON.

NORTH: HE

SECCRD: HE

NORTH: A VERY SERIOUS PERSON WHO'S GOT OIL ON HIS MIND.

SECCRD: NO, HE'S OK. HE'S ((FEW WORDS MISSED)). YOU KNOW HIM PERSONALLY, RIGHT?

CAVE: ((INTERPRETS)) ((MISSED))

SECCRD: IF THIS THING GOES WELL AND WE GET OUR PEOPLE BACK, WE'LL ((EMPHASIS ON "WE'LL")) TALK YOU TALK WITH THEM, WE'LL TALK TO THEM. ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECCRD: I' M GOING TO TAKE A LOT OF TALK, A LOT OF TALK.

CAVE: DO YOU WANT TO TAKE A BREAK NOW?

NORTH: YEAH, I'VE GOT TO MAKE SOME ARRANGEMENTS.

SECCRD: WE HAVE TO DO SOME PHONE CALLS.

NORTH: WOULD HE CAN CALL BACK HOME AND FIND OUT THE PROPOSAL WHEN AND WHERE?

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS THEY'RE GOING TO CALL HIM BECAUSE ((FEW WORDS MISSED)).

NORTH: OK, WE'LL BE BACK.

CAVE: ONE OF THE THINGS WE MIGHT BE ABLE TO DO ON THIS OTHER THING IS GET CARED.

NORTH: GET CARED WHAT?

CAVE: ((MISSED))

NORTH: ON WHICH SHIPMENT?

CAVE: ((FEW WORDS MISSED)) ON THE NEXT ((FEW WORDS MISSED))

SECCRD: ((FEW WORDS MISSED)) GET THE HAWA PARTS AND GET THE MONEY. HE SAYS THE MONEY'S HERE.

NORTH: THAT'S FINE, ALTHOUGH I DON'T THINK HE'S GOING TO NEED QUITE AS MUCH AS HE SAYS, BECAUSE WITHOUT PART 15A IT'S CONSIDERABLY

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C 10446

CHEAPER.

[REDACTED] CANCEL 156.

NORTH: I'LL [REDACTED] BACK ((LEAVES THE ROOM.))

CAVE: ((IN PERSIAN)) 156--THE FACTORIES DON'T MAKE THAT ANYMORE
((FEW WORDS MISSED))

[REDACTED] CANCEL IT

CAVE: ((IN PERSIAN)) ((FEW WORDS MISSED.)) IT'S VERY EXPENSIVE.
EACH ONE OF THEM IS ABOUT \$65,000 AND MORE, MUCH MORE.

CAVE: ((INTERPRETS))

[REDACTED] WE DON'T WANT IT ((FEW WORDS MISSED)) WE DON'T NEED IT
WE WANT THE "WIRED" THAT ATTACHES TO THE HANK ITS PRICE IS
2 ((OR 38)) RIALS

CAVE: ((LAUGHS))

[REDACTED] ((MISSED))

((CAVE CALLS ROOM 525 AND [REDACTED] SPEAKS BRIEFLY ON THE PHONE IN
PERSIAN. CAVE AND [REDACTED] SPEAK QUIETLY. INAUDIBLE.))

((END TAPE A17))

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Chapter 14

Footnotes 246-247

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((minitape))

4454

Partial Declassification based on 1/26/82
under provisions of E.O. 12356
by B. Berger, National Security Council

cave: [REDACTED] says they've got it, but it's not in bandar abbas
second: it's not? when we talked last, my understanding was they
had it in a shelter at bandar abbas. where is it?

cave: [REDACTED] can

second: [REDACTED]

cave: ((interpreting)) they can bring it in about a day and a half.

second: okay

[REDACTED] as soon as we start, because ((few words missed))

second: do they have a transport to move it

cave: he says they don't want the army to know that they're giving
((few words missed)).

second: so ((few words missed)) they will cover us.

cave: ((interprets)) oh, yes. what he says is that the best way
to do this is that we'll have the S-72 get there roughly
the same time as the ship.

second: he has to give me the time, and I will adjust accordingly
he must also give me instructions

cave: ((interprets))

cave: he doesn't want. he says that the agreement is that just
a regular, uh, you know, commercial ((word missed)).

second: whatever he wants if they have the.

cave: ((interprets))

second: the reason why I said navy was that I thought the navy had the
cranes. I suppose they do.

((interprets))

what did I tell you that it weighs? 46,000?

4502

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north: forty it weighs 42 tons

second: forty-four tons. (in fact?

north: forty-two tons maybe with a full combat load it's 44 tons

second: 44 or 45 tons.

north: ah, they have a 100 thousand pound crane at BANDAR
abbas and...?

second: i don't know.

north: well, if i don't, it's never going to get on the ship

second: do in the navy.

cave: ((few words missed)) whether or not a suitable crane exists at
bandar abbas. ((few words missed)) says that the revolutionary guards
has placed one there.))

cave: he says that they have one that they unload ((few words missed

north: if it unloads 'em, it will load 'em.

cave: ((interprets)). he says the pasdars have their own pier
((phone rings. ((few words missed)) apparently giving a room number, sa
"515," and hangs up.))

second: sam would you ask him? they would be so kind as to put
a full load of the big ammunition in the tank whatever
it is. 30, 40, 50 rounds whatever

cave: ((interprets)) ((while cave interprets, the following exchange
takes place between north and second.))

north: "Why don't we ask him" if he wants to get rid of an mi-24 or
an mi-21, which we don't have to ((few words missed))

second: it would be nice to have though.

north: no well we've got ((few words missed))

second: we've got plenty of that kind of ammo

north: i mean that's not as important as.

second: well, they may not have it either

north: it would be good to have a sample of

second: ((as's cave)) do they have it?

cave: ((interprets)) they have there's a guy named the
f b i confiscated twenty million dollars (to

C UN 4522

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persian)) When was this?

C 10453

cave. ((interprets)) he says about a year and a half ago

cave ((inter)) yeah, this was another ...

north sting, or was this ...

cave I don't know if it was a sting or not. But [redacted] is well known and he told them that the twenty million dollars ((few words missed)) missiles ((two words missed)).

north only guy who can get tow missiles.

second yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave. what they want to know is about the money.

north i don't know, i'll check ...

cave ((interprets)) he said that they even won a court case on the money in the united states and the f b i was ordered the f b i was ordered by a court to turn over the money, and they haven't yet

north why don't you get for me you get for me the facts for our next meeting, and i will go and find out what i can

cave ((interprets))

second ((interrupting)) name of attorneys That's a lot of money

north you get for me the facts on what happened--the names of the attorneys, the dates bring that to the next meeting when we give you the communications equipment ...

cave ((interprets))

north and i will take the information you give me and find out what happened, and then call you on that communications and tell you what the answer is.

cave ((interprets))

((knock at door.))

second tell him the name of the ship is [redacted]

north do we have the ship's call sign?

second that is the ship's call sign--[redacted]

[redacted] apparently starts to leave the room.))

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C 10454

second don't be gone long we've got work to do Tell [REDACTED]

((recording is interrupted at this point when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was available on portions of other tapes produced from another device. (Portions of tape a7 and a8, transcriptions were previously provided earlier.) The quality of this recording, however, is considerably superior to the other tapes, and this transcription contains a number of major revisions and addition of material which could not be recovered from the earlier tapes.))

hakim [REDACTED] to raise a few issues ((few words missed)) some of them are going to raise serious objections, but his intention is to discuss it and try to remove the ((word missed

HAKIM: ((INTERPRETS)) the deduction, BACK IN TEHRAN... HE JUST HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE THEY CONSIDER that your seven points AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [REDACTED] AND [REDACTED]. AND EXAMINING THE SEVEN POINTS, THEY COME TO THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [REDACTED]--HE REFERRED TO THAT EARLIER--IN TAKING THE STEPS TOWARDS NORMALIZING RELATIONSHIPS AND HE HAS REINFORCED OUR POSITION BY PASSING ON TO THEM THE POSITION OF THE U.S. THROUGH THE WORDS OF GENERAL SECORD, WHICH WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A YEAR OF SONG AND DANCE WITH YOU, AND YOU RELEASED TWO PRIESTS FOR US AND THEN YOU TURN AROUND AND got two OTHER GUYS THAT'S THE BOTTOM LINE HE SAYS, "I HAVE PASSED THIS ON to them"

HAKIM ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THINGS TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE A FEW STEPS, SEPARATE FROM THE STEPS THAT WE ALREADY DISCUSSED. ((THEY)) WILL SOLVE SOME OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'ua

hakim ((Interprets)) The other one is the [REDACTED] cameras for the [REDACTED] Iran needs them desperately

second: That's a new one, isn't it?

hakim yes it's new and not new because [REDACTED] bring it up

hakim ((Interprets)) He says the other one is [REDACTED] spare parts ((few words missed)) there are [REDACTED] phoenix missiles that are not operational

cave there are [REDACTED]

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CJIN 4525

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hakim: [redacted] and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hashemi-rafsanjani is interested personally in this.

hakim: [redacted] he has told him a few times. C 10455

second: [redacted] is interested in what--the [redacted] missiles?

hakim: [redacted] the spare parts and repairing ((word missed)).

hakim: [redacted] upon the release of the two [redacted] immediately follow the [redacted] (two words missed) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tons [redacted] they do not necessarily have to have them right away because they have now enough to operate.

second: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

second: on phoenix missiles, if you have [redacted] phoenix missiles at isfahan, guess is that you don't need any spare parts--or you may only need a few spare parts--and you might point out what you need is one or two technicians, probably at least two technicians for different functions within

cave: do they have the calibration equipment?

second: they did have [redacted] I put it [redacted] there.

cave: that's what I wanted to ask you ((few words missed))

second: they had the hawk missile building and test equipment. we all put it [redacted] I don't know if it's still there not hawk, but phoenix i've got hawks on the brain.

((round of exchanges missed.))

hakim: ((interprets)) he says all the calibration [redacted] is there.

north: does it work?

hakim: ((interprets))

second: he doesn't know

hakim: ((interprets)) he says the air force has told him they are there but

second: THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

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TRUST THE AIR FORCE, BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD, AND NONE OF THEM WERE any THEY WERE NC ((two words missed)) YOU KNOW, THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

HAXIM: ((INTERPRETS FOR [REDACTED])

C 10456

SECCRD MY GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE CONTROL ON THE AWG-9 FIRE CONTROL SYSTEM--radar and fire control on the airplane.

HAXIM: INTERPRETS FOR [REDACTED]

SECCRD then, [REDACTED] of course, you UNDOUBTEDLY have PROBLEMS WITH THE MISSILES THEMSELVES, BECAUSE THEY require a lot of care. [REDACTED] said you need at least two technicians. [REDACTED] are different kinds of ((word missed)) they probably need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT, BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what I'm trying to say. I could look at it, but it wouldn't mean anything to me. I WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAXIM: ((INTERPRETS FOR [REDACTED])

[REDACTED] ((MISSED))

haxim. ((interprets)) he says [REDACTED] don't you get your expert ((few words missed)) tuesday

second but I must ((few words missed)) to leave before tuesday this is big problem for us. we will have to do some organizing. I ALSO BELIEVE THAT THERE ARE A LOT OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAP. Not in doshantapeh but in [REDACTED] what's the name of that place near doshantapen? the air force logist uh there's a special name for it but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automa logistics systems just shut down.

HAXIM ((INTERPRETS FOR [REDACTED])

SECCRD AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [REDACTED] MISSELES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERATIONAL SOME MISSELES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAXIM. ((INTERPRETS FOR [REDACTED])

Phorth? ((missed))

second at minimum ((few words missed)) there are [REDACTED] different M D S 's involved in this area I don't [REDACTED] words missed)) they're great missiles; but they're complicated

cave ((missed))

second well we'd have to go to hughes, I think, and find some volunt ((few words missed)) well, I'm coming to my bottom line now

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north: ?where's? the answer?

C 10457

second: there isn't any easy answer

north: sure there is.

second: what?

north: get them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

second: that's what i'm coming to. WHAT I'M TRYING TO SAY TO [REDACTED] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT. IT'S GOING TO TAKE A LITTLE BIT OF TIME.

cave: would it be better to bring them out?

second: it might be

north: bring what out? the missiles?

second: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too. [REDACTED] on the bird?

second: i'm saying it's not a simple problem, and the white house is going to have to authorize us to send in some technicians, and then we've got to go through these steps before we do it.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECOND: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO WITH THEM IF WE GOT OUR THREE PEOPLE. But we're going to have to OUR THREE PEOPLE. Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECOND: TO PUT IT ANOTHER WAY, [REDACTED] YOU GIVE ME THE THREE PEOPLE TOMORROW AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FOR [REDACTED])). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). folio

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they are making a change—step six is the hawk. they want to have phoenix but then we change our position—we send also technicians who can do that, and then ... but we want three. follow me?

SECOND: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US TO DO SOME TECHNICAL WORK—WE'VE ALWAYS TALKED ABOUT THIS, IF WE GET OUR THREE PEOPLE BACK. THAT'S WHY I SAID, "YOU GIVE ME

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THE THREE PEOPLE TOMORROW, AND I'LL BET YOU HE'LL SAY
okay go get SOME TECHNICIANS next week

C 10458

hakim: is it okay if i say it the way i said it? he would understand it better.

NORTH: THE PROBLEM I HAVE GOT IS THE WHOLE DAMN appearance of
bodies. I MEAN, IF WE'RE REALLY
HERE ABOUT THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO
DOING IS, THEY OUGHT TO BE EXERCIZING EVERY POSSIBLE
AMOUNT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT,
AND WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL
KINDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE
leading? will have? A FRIGGIN FMS CONTACT ?team?
THERE? WE'RE TRYING TO DO IS TO close the bridge
THIS SECRET SHIT, AND GET ON WITH THE REAL

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT
MAY HAVE BEEN, IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARL
WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKIN
ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND
THE HOSTAGES and GET ON WITH A FORMAL RELATIONSHIP

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: EVERYTHING WE HAVE DONE SINCE THE VERY FIRST CONTACT, WHETHER IT BE
STEP BY STEP OR WHETHER ALL AT ONCE, THAT'S WHERE WE'VE BEEN
TRYING TO GO.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU GUYS DON'T TRUST US, AND WE DON'T TRUST YOU, AND SO WE END UP
DOING IT A LITTLE BIT AT A TIME, and it takes forever

HAKIM: ((INTERPRETS FOR [REDACTED]))

cave: ((to [REDACTED] in persian)) when i wrote this ((word missed))
we "agreed" with regard to technicians for the hawk missile
fine now, it is our opinion that there will be no problem
with regard to technicians for the phoenix. but this is a new
thing

[REDACTED] no. ((inaudible.))

cave: no. there was no problem.

[REDACTED] ((talks for about a minute. inaudible))

cave? ((inaudible))

"second" money?

"cave" ((portion missed)) have got four million

"second" millions of dollars

hakim: i happen to be the agent who "sold them" ((few words missed))

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2nobody asks?

2north? how much were they?

hakim: uh, c... chicao 2area? industries ... c. a. ((then starts to talk ... north interrupts))

north: ... many it is!

C 10459

((second ... hakim talking at the same time.))

hakim: ... at that time, it was about ... close to two million dollars (few words missed))

second: ... ABOUT THE LONG FOCAL length camera.

hakim: right

second: that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND ((FEW WORDS MISSED))

SECCRD. IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE C THE AIRPLANE?

HAKIM ((asks ... what sys... he is talking about. ... does know ... asks if he is ... about "oblique." north interrupts.))

NORTH WE CAN GO JUMP THROUGH OUR ... AND GET YOU A camera THAT WILL COST A MILLION DOLLARS, OR WHAT? ... AND IT WILL TURN OUT TO BE THE WE (expletive) camera ... the ... try ((interpreting)) that one!

HAKIM ((INTERPRETS FOR ...

HAKIM HE IS NOT NEGOTIATING this...

NORTH: I UNDERSTAND THAT

HAKIM he is just advising ... HE'S SAYING THE SAME WAY THAT YOU ARE TELLING ME. WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE UNITED STATES, I AM PASSING ON TO YOU THE WAY THAT WOULD OPEN THE WAY FOR ME AND FOR ... to do things. I ... that nobody wants me to pass this ... for instance ... not going to be costing you a thing? to send these guys ... not trying to save some money. If you don't raise the ... the cost of these technicians, that is going to create ... an ... sphere, it can not be...

second: we haven't talked about cost of technicians

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THERE ISN'T GOING TO BE A cost for it. I KNEW EXACTLY WHAT THE THREE THINGS YOU WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMIS FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT THAT'S EXACTLY THE THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO

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HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: I'm telling you, WE'RE SO CLOSE TO HAVING DONE THE RIGHT THING--YOU AND I AND [REDACTED] AND THE MEN IN THIS ROOM, AND YET WE'RE GOING TO FOUL IT UP; I CAN SEE IT COMING

HAKIM: ((INTERPRETS FOR [REDACTED]))

C 10460

second. [REDACTED] told th [REDACTED] is a year ago.

NORTH: [REDACTED] HAVE KNOWN FOR OVER A YEAR THAT YOU NEED TECHNICAL HELP, AND WE HAVE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMENT THAT I WROTE IN TEHRAN IN MAY.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: [REDACTED] TO GOOD [REDACTED] OR WHATEVER THE HELL HIS NAME IS, I GAVE IT TO HIM. it's in that one

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK, WE DON'T WANT YOU GUYS TO LOSE THE WAR, WE WANT AN HONORABLE SETTLEMENT AND ALL YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, AND WE'RE GOING TO DO ALL KINDS OF THINGS FOR YOU." IN FACT, HE SAID, "DON'T LIMIT YOURSELF TO THIS. THERE IS MUCH, MUCH MORE THAT COULD BE DONE. THE HOSTAGES HAVE TO GET BEYOND US. we have to get beyond them."

HAKIM: ((INTERPRETS FOR [REDACTED]))

((time out for tea))

HAKIM: ((INTERPRETS)) THEY ARE CONVINCED THAT we have "good intentions"? HE HAS SAID IT BEFORE. HE SAID, "AFTER THINGS BROKE UP IN IRAN, AND YOU LEFT AND THEN "yet" you sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE AMERICANS HAVE good ((few words missed)), he has brought this up, but he says, in other words he's saying he knows that we have "good intentions"?

NORTH: so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE TO GO?

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE UNITED STATES--A SUPERPOWER- is it not in their power to send [REDACTED] technicians tuesday? I said, "yes it is. I can send them on monday, we can send them on sunday." [REDACTED] that's why I wanted a few minutes. THEN I SAID, "I AM LIKE KHOMEINI--THE FIRST SHIAH IMAM for the first government of shi'ans in the world-- HE DOESN'T HAVE THE POWER OF GOING TO LEBANON AND TELLING THOSE ASSHoles TO RELEASE THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

CJIN 4525

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~~TOP SECRET~~

north and his answer was?

hakim "NO HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE STATES IS A SUPERPOWER, AND we FORGET THAT THE ISLAMIC REPUBLIC OF IRAN IS A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: [REDACTED] it is [REDACTED] THE INFLUENCE THAT THE IMAM HAS OVER [REDACTED] 10461
[REDACTED] WHO HOLD THE HOSTAGES IS near total.

HAKIM: [REDACTED] COURSE. HE CAN GET THOSE PEOPLE BACK WITH ONE WORD, ONE WORD. [REDACTED] M CONVINCED. IT'S no bullshit. i think... he can. he can.

HAKIM: [REDACTED] (interprets for [REDACTED] and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY, IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES," ALL THE HOSTAGES. ALL TERRORISM STOPS. that paper talks about that.

HAKIM: I UNDERSTAND BUT YOU ARE [REDACTED] STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE

HAKIM: ((INTERPRETS FOR [REDACTED]))

north: this sticks to that paper. [REDACTED] that's part of that.

second: i don't know if he's seen [REDACTED]

HAKIM: i'm trying to make a point [REDACTED] just trying to help
((hakim and [REDACTED] talk in persian.))

hakim: you gave him a copy and he has read it?

NORTH: YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM: yeah, he has read it.

second: has he read our proposal on the da'wa prisoners? [REDACTED] don't know if [REDACTED] seen it

hakim: ((interprets)).

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hakim: yeah, he liked it he saw it

hakim: ((interprets)) he said he liked the approach that you gave the ps he quoted it ((few words missed)) you could have insisted that you wanted to give the paper after ((few words missed)). he said these things open the way. very important. i said: "we are will

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how can we tell you?"

second we have some more information on the da'wa prisoners that sam n

NORTH: IT WAS NOT JUST GIVING YOU A PIECE OF PAPER. WE HAVE ALREADY STAR

CAVE: ((...)) WE'VE TAKEN ACTION.

HAKIM: ((INTERPRETS FOR [REDACTED])

C 10462

HAKIM: ((...)) explaining to him one american ((word missed)). if he
 ((meaning an american)) says, "maybe i can do
 something?" he has studied the situation thoroughly
 more he says maybe. they ((the americans)) told you
 ((...)) says... in two days they have the goddamn
 IF THESE PEOPLE ((the americans)) HAVE
 GOTTEN A LIST OF THE 17 GUYS. YOU CAN BET YOUR ASS
 THAT THEY HAVE STUDIED IT AND EXAMINED IT AND THEY ARE
 TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR [REDACTED])

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECOND WE HAVE ALSO GOTTEN A SPECIAL REPORT... sam has... on the prisoners
 and some interesting information... like they haven't been visited.
 which is ridiculous.

((CAVE AND [REDACTED] CONVERSE IN PERSIAN. UNINTELLIGIBLE.))
 ((second and north talk about their drinks. two conversations
 going on at once))

north what are we talking about

cave we were just going over

second ((interrupts)) he's all over the area

cave the experts and everything? ((few words missed)) what's
 really needed is a group of people to go out there. they've
 got all kinds of problems

NORTH: WELL, OF COURSE THEY DO. I TOLD them THIS A YEAR AGO
 LOOK, LET ME TELL YOU SOMETHING THE PROBLEM--JUST TO WE ALL
 UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE BY THE UNITED STATE
 GOVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGES BEING HELD IN
 LEBANON, THIS PRESIDENT IS GOING TO GET STONED BY [REDACTED]

second: and by his own people.

NORTH: YOU KNOW IT JUST AIN'T GOING TO HAPPEN... and this effort is
 going to be visible

CAVE: ((INTERPRETS FOR [REDACTED])

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CAVE: HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT HE SAYS, "JUST sold us SOME RADARS AND THEIR TECHNICIANS ARE IN TEHRAN NOW, WORKING ((few words missed.))"

NORTH: I KNOW BUT IT WASN'T DONE WITH THE AUTHORITY OF THE GOVERNMENT

HAKIM: [REDACTED] C 10463

yes it was... how could it be that ((few words missed))

cave: ((interprets)) he says, "i don't want to say this, you know, destroy what we're doing."

north:

cave: what name of the radar...?

north: [REDACTED]

the [REDACTED] told us, "we will come with the cover story that we are installing the radars [REDACTED] to ((word missing)) the russians. of course, we will come and install them for you (adjacent to? iraq. ((portion missed))."

cave: ((interprets)) ((inaudible))

NORTH: yeah but, again, the GOVERNMENT IS NOT AN ACTIVE PARTICIPANT THE GOVERNMENT DIDN'T

CAVE: but the other thing ((few words missed)) is that [REDACTED] know ((few words missed))

north: that's true

cave: and he says that their ((word missed)).

north: that's true.

second: what did he say about the kuwaiti prisoners? he wasn't interested in what you had to say?

cave: he had no comment.

second: he ought to have a comment

north: "that's why? i spent seven days trying to put it all together

((during the above exchange between cave, second, north, hakim and [REDACTED] were talking in the background, cave continues talking quietly to north and second. most of what he says is inaudible.))

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1 page

C 10464

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NORTH

CAVE

NORTH

CAVE

CAVE: ((INTERPRETS. UNINTELLIGIBLE.))

C 10465

NORTH: AND THE [REDACTED] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT.

CAVE: ((INTERPRETS FOR [REDACTED] MAKES ADDITIONAL COMMENTS TO [REDACTED] AND EXPLAINS TO NORTH [REDACTED] HE HAS TOLD [REDACTED] ONLY SNATCHES OF WHICH WERE INTELLIGIBLE.))

NORTH: WHEN MCFARLANE WAS IN [REDACTED] and MY FRIEND [REDACTED] WAS THERE. MCFARLANE KEPT SAYING THINGS LIKE, "LOOK, PUT THIS BEHIND [REDACTED] DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THINGS. THINK BIG. THINK BEYOND THE HOSTAGES. THINK ECONOMY. THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HELP YOU. NOT JUST [REDACTED] PHOENIX MISSILES. THAT'S NOTHING. THINK BIG. AND THAT'S THE IMPORTANT THING TO DO. [REDACTED] WE CAN'T THINK BIG WHEN WE'VE GOT THAT STARING [REDACTED]"

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haxim: he wants to get to the last issue

cave: he wants us to look into the ((word missed))

north: i will, i will

((CHATTER ABOUT north NEEDING AN ASPIRIN; north LEAVES the room))

SECCRD: TELL HIM THAT IF HE JUST GOES OUT TOMORROW [REDACTED] THE NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE'LL GO BACK IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [REDACTED] GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY; I BUILT IT. MY AIR FORCE-- FOUR AND A HALF YEARS on it.

HAXIM: ((INTERPRETS FOR [REDACTED]))

SECCRD: YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that. WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

C/IN 4525

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HAKIM ((INTERPRETS FOR [REDACTED]))

SECCRD WE'LL SAY THEY'RE SWISS OR SOMETHING. YOU KNOW, AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE ((INTERPRETS FOR [REDACTED]))

(([REDACTED]) CHATTER. north returns.))

cave: I forgot about those. 22 chinecks that are embargoed ((few words missed)) already paid for ((few words missed)).

north: That's all it's true.

second: That's a great story, only I think it's only eight that are paid for. I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT, WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE ((INTERPRETS FOR [REDACTED]))

north: save you a lot of money

SECCRD we HAD the IRANIAN AIR FORCE was THE MOST WELL-SUPPLIED AIR THE WORLD HAS EVER SEEN 1979.

north: better than ours

second: oh, much better they had three years' of supply--combat rates on every line item

NORTH: HOW ARE YOU GOING TO FIND LARG ISLAND?

HAKIM ((INTERPRETS FOR [REDACTED]))

NORTH: HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

HAKIM HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY

north: why? OPEC?

HAKIM ((interprets)) he says the experts know it. ((few words missed))

NORTH: BUT THAT'S BECAUSE THERE HASN'T BEEN ANY NEGOTIATION done SINCE THE WAR STARTED.

HAKIM ((INTERPRETS FOR [REDACTED]))

HAKIM: EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((few words missed))

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MISSED))

cave. ((few words missed)) produced five and a half million a day.

north: yeah; but he's talking about for export--you're right. one and four went home and four went out.

second: ... was lifting five and a half million a day.

north: true. four million for export and one and a half ...

hakim: ((interprets))

hakim: ... ?but? seven and a half million breaks down to ... words missed)).

SECOND: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A Y NOW--A FEW WELL-PLACED TECHNICAL EXPERTS, IN WHATEVER FIELD ?THEY'RE? TALKING ABOUT, IS WORTH MORE MONEY THAN THEY COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS FOR

north: you know, it is real important to get these guys hot on getting ((few words missed)). it ought not to all fall to him. you know THERE'S AN IMPORTANT POINT ON THE TECHNICAL teams. AND THAT'S THAT ISSUE--IT'S JUST LIKE THE MCFARLANE Trip THAT WILL BECOME PUBLIC.

HAKIM: ((INTERPRETS FOR

C 10467

second: we told him that while ... were out.

NORTH: WE WANT TO MAKE SURE THEY CAN DO IT RIGHT. AND THAT IT'S NOT GOING TO COST ANYTHING to put these people over there--it won't cost you anything. but because of the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT while these other guys are still being held.

HAKIM: ((INTERPRETS FOR

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

second: I don't think ((few words missed))

north: sure it is.

hakim: they just don't want to get their imam ((few words missed)) he could do ... just like that ((snaps fingers)) they are too lazy--that's it they just don't want

north: it's a political risk.

cave: ((interprets for

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hakim: ((to second in persian)) mr. second, when are you going to ...

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CAVE: ((in persian)) is it an official invitation?

SECOND: Iran?

hakim: ((in persian)) when are you going?

SECOND: ((few words missed)) the sixth step.

hakim: ((few words missed))

SECOND: ((few words missed)) no, but WE HAVE THE GUY WHO... I'VE
ALREADY RECRUITED THE GUY WHO

HAKIM: INTERPRETER

SECOND: ((few words missed)) just retired from the army.

((knock at door.))

north: whoa, whoa, whoa, whoa, whoa--who's that? who is that?

((someone calls, "who is it?"))

SECOND: look through the hole.

((hakim calls to [REDACTED] leaves room. chatter
about a chinese restaurant))

SECOND: what's [REDACTED] doing here?

hakim: [REDACTED] asked him to come.

C 10468

SECOND: why?

HAKIM: gentlemen, [REDACTED] IS RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS [REDACTED]

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS [REDACTED] HE
OWNS this SHIPPING COMPANY. HE'S THE ONLY GUY IN TOWN--
-IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND
DANCING AND OPIUM. HE PROVIDES MONEY...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECOND: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO [REDACTED] all
kinds of things for the iranian government. [REDACTED]
AFRAID THAT HE'S BEING kicked OUT OF THE COUNTRY. AND
turns [REDACTED] against me, he turns [REDACTED] against the [REDACTED]
... he does all kinds of things. he is a nigger in the

north: the woodpile.

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hakim: right.

north: ((missed))

cave: well there had to be one of those.

SECOND: WHILE YOU WERE OUT OF THE ROOM THAT HE WAS
 HAVE THE PROBLEM OF THE THREE HOSTAGES.
 right? he said it again, BUT HE DON'T KNOW HOW.

NORTH: I DON'T CARE HOW RIGHT NOW.

SECOND: DON'T CARE HOW EITHER, EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: I CAN'T. I KNOW THAT.

NORTH: I KNOW YOU SAID IT YOURSELF. THE ONLY THING THAT WAS
 NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND the SITUATION IS ripe FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) HAS TO ((few words missed)).

second: I didn't know that they were saying? ...

?hakim: Is staying here?

north: NO going

CAVE: HOW'S HE GOING TO DO IT FROM HOW'S HE GOING
 get THOSE GUYS RELEASED

hakim: he's supposed to have to get that damn thing out. C 10469

second: by friday?

hakim: pardon me?

second: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of sentence missed)).

second: ((missed))

north: i thought i had a copy of the original agreement from tehran.

cave: there have been so many agreements ...

north: no no no, there was only one of those.

second: yeah, but that was never an agreement.

cave: i remember that: i wish i would have written the english, then
 i could have translated, for could have translated, into f:

north: i think she did a very good job, given it was both ((few words missed))

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home. i'm willing to go.

((chatter))

cave: oh, lots of shish! you know, there's a chinese restaurant that looks like a dive in frankfurt, and there's a sign ((few words missed in farsi "ghazaye irani."

second: where, in frankfurt?

north: that's ghazaye irani mean?

cave:

second: are we going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. i am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat, i'm going to eat. i have not eaten yet today.

hakim: what in the hell was that ((few words missed))?

north: that wasn't eating. that was standing up on the ((word missed)) my idea ((few words missed)).

cave: do you have an extra envelope?

north: do i have an extra envelope? what do you want to put in it?

cave: ((few words missed)). but i've got to get back. 10470

north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something. what do i tell him? no deal?

hakim?: what are you talking about?

second: no, no, no, no, no. we're getting our two ... weekend. we're not ... i'd like to see us ... though, the thing that befuddles me is I DON'T UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO ... AB THREE IN ONE STROKE.

north: I DON'T EITHER.

hakim: BECAUSE, I THINK ... YOU WANT AN ANSWER ... BECAUSE they can't have enough ... you see they do not want TO USE KHOMEINI ... IF YOU put that aside—that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

second: if they send an order to the revolutionary guard to get them, then...

HAKIM: NOW WHERE THEY ARE. they know ((few words missed))

CAVE: THEY KNOW WHERE THEY ARE.

HAKIM: NO. THEY KNOW WHO'S got THEM.

second: THEY KNOW WHERE THEY ARE, TOO, i'll bet you. YOU THINK THEY DON'T KNOW WHERE THEY ARE?

NORTH: A LOT OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY OFFERED TO give us... tell us where they are?

NORTH: WELL, I'LL TAKE THAT deal right now.

SECCRD: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO. GIVE US THREE AND THE LOCATION OF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE'S SEVEN AMERICANS MISSING, gang. SIX.

SECCRD: i think YOU YOURSELF KNOW THAT THE PALESTINIANS ARE INVOLVED IN OF THIS action.

NORTH: I THINK THAT THE LIBYANS ARE PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW ((few words missed.))

SECCRD: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

CAVE: but they're certainly involved in those other... 471
((few exchanges missed))

NORTH: we THINK THAT THERE was a contract job done

((end of minitape))

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Chapter 14, Footnote 260

C 09513

14-260

NIC 05060-86
3 November 1986

MEMORANDUM FOR: Director of Central Intelligence

FROM: Charles E. Allen
Intelligence Officer for Counterterrorism

SUBJECT: Frankfurt Meetings

1. Bud MacFarlane's trip is becoming known. [redacted] asked him about Bud's visit. The problem stems from the radicals around Montazari taking action. They have convinced him that this was bad for Iran. Interestingly enough, it turns out that Ghobanifar told Montazari about all the transactions and kept him briefed on what is going on. It turns out that Ghobanifar and Montazari have been friends for 15 years. [redacted] at the reasons for the failure of the Bud trip were several. One was that the trip had not been fully coordinated at the senior level. One of the problems was Ghobanifar's presence in Tehran and the role he played. Most people do not trust him, but he has convinced [redacted] that he has a lot of influence in the United States. [redacted] has a lot of faith in Ghobanifar. The other problem was Amirani Nir's presence in Tehran. [redacted] told them who he was in order to cover his backside. [redacted] argued that [redacted] influence Ghobanifar.

[redacted] he was someone that they should use. From [redacted] comments, [redacted] was given to believe that Ghobanifar was quite a powerful man. With further regard to Ghobanifar and his threats, Rafsanjani has proposed inviting him back to Iran and keep him there several months working on things. They can keep him based on the fact that there is an order for his execution. [redacted] said that they do owe Ghobanifar \$10 million, but he also owes them 1,000 TOWs. The problem for us is that he has been involved in many deals and we do not know how to judge this statement.

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National Security Council

3. Ollie North said that since the beginning of the talks we have taken certain political actions. We have talked to [redacted] and pressured them into curtailing [redacted] sales to Iraq. We have opened discussions with [redacted]. [redacted] said that there were four issues that he wished to discuss in this session, but first he wanted to say that Khomeini has issued a decree [redacted] which he states his considered opinion that the hostages are prisoners. This has changed the attitude of the Lebanese captors. [redacted] said that they wish to table the following points for discussion:

A. How to proceed with our relations, and relations with other states in the area.

arrive at a joint understanding as to why things are proceeding as they are.

C. He wants to explain and clarify his own role in the operation.

D. He wants both sides to engage in an analysis of the security of the operation.

4.

US position in seeking better relations with Iran. In this instance we stated that with regard to the 9-point program we were moving as fast as possible and they must also move fast, too. He said that he has full trust in the group he is dealing with and wants to explain the problem of coordinating things in the Iranian Government. I must understand that this is a new revolutionary government. After that, it is like a corporation. There are three wings in the government. The wing is the fanatic wing (Tondro). This wing is actually divided into two groups, one of which is extremely fanatic and the other which is less so. The second group is the Middle Roaders. Rafsanjani is the leader of the Middle Roaders. This group functions as the bridge between the fanatic group and the right wing group. The right wing group leans towards the West in the sense that they want free trade and a democratic government. What must be understood is that all three groups are strongly Islamic and want an Islamic government although all three approach this differently.

5. [redacted] said to understand the government process, we must [redacted] that Khomeini [redacted] given to Rafsanjani the responsibility for managing the war and foreign affairs. This is why he is usually referred to as [redacted] two man. When [redacted] first brought up the issue of better relations with the US, Rafsanjani agreed, but said that all groups must take [redacted]

Rafsanjani insisted that all three groups should take part in this program. After the debate in the cabinet and also the Majlis, a position was reached and took it up with the Imam who gave his approval. Rafsanjani's position was that

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if the policy succeeds, all will share. On the same hand if it fails, all will also share so no one can complain. The problem is one of coordination between the various groups. [redacted] stated that the last shipment of TOWs eliminating [redacted] channel and establishes his group. [redacted] said that [redacted] mission was very well received in Tehran. This enables them to force the [redacted] to focus on the hostage situation. There is, however, some confusion in Tehran.

The problem of Montazari. [redacted]

we [redacted] are that [redacted] if he had been kept in mind oriented all along. [redacted]

7.

[redacted] there is a small group of extremely fanatical Hizballah in [redacted] This group is small, very radical, and united. They published a newspaper in which they stated that the United States and Iran are cooperating in getting the hostages released. [redacted] said that at the moment they have no hard information about the other two hostages, but he suspects that it could be this Hizballah group.

8. In one of his many asides to Clarke, [redacted] said that [redacted] problem about North's demand for release of all the hostages. [redacted]

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C 09522

[redacted] said that [redacted] would be arriving in Europe on 31 October. [redacted] said that they want to move things along and hope that the release of two more hostages will help. The perception in Tehran is that the American leadership is [redacted] of moving things along too fast. They interpreted our original seven points as a [redacted] of extreme caution. The US side defended this caution [redacted] that the bottom line is that they released two then took the [redacted] several points he wanted to discuss as follows: Kuwaiti [redacted] cameras for RF-4's, and a list of Phoenix spare parts. [redacted] said that the Iranians have 70 Phoenix missiles which are inoperable and in need of spare parts. Rafsanjani himself is personally interested in the Phoenix problem. This is because the Iraqis have enormous respect for the Phoenix. They need help to repair the missiles on hand as they know it is impossible to obtain new ones. Technicians to help on the Phoenix missiles would be seen as a very positive step in Tehran and could well resolve the whole hostage problem. [redacted] also said that they have enough TOWs for current operations. At this point [redacted] emphasized that the sending of things to them have proved the US' good intentions. We told [redacted] that it might be some time before we could organize the technical support they needed, but we thought such support was essential and our orders for spare parts do not make sense. In fact General Secord believed that if someone were to get into their logistics system he could probably locate large numbers of spares that they do not even know they have. [redacted] also asked if we could do anything about the 20 Chinooks that have been embargoed in [redacted] for three years. The FBI is also holding \$20 million that Iran went to [redacted] for and won the case. We asked him for additional information on the case and some documentary support so that we can follow it up.

10. In another aside, [redacted] stated to Clarke that they feel they must have pilotless drones to give them the kind of intelligence coverage they need. He wondered if they could buy some from the Israelis. This may be an opening for Nir. [redacted] also told us about [redacted] radars they are buying from [redacted]. Although they are supposed to be deployed to cover the Soviet Union, in fact the technicians are installing them along the Iraqi border.

11. [redacted] said that a four-man committee has been formed in Tehran to oversee [redacted] relations with the United States. They are as follows:

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C 09523

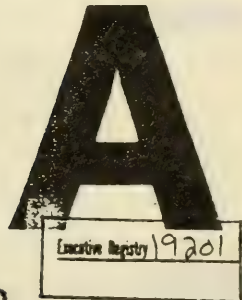
[REDACTED]

[REDACTED] said that the man they ultimately want to meet with senior US officials is [REDACTED] who is [REDACTED] and a moderate. He is [REDACTED] role in this is somewhat foggy. [REDACTED] is the only one of the four that knows of his role. The best way to describe him is that he is Rafsanjani's window on the operation.

I [REDACTED]

Charles E. Allen

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Chapter 2 14

Footnotes 26-247

249,251-25

C 10451 255-

((minitape))

4454

14-261

cave: [redacted] says they've got it, but it's not in bandar abbas

second: it's not? when we talked last, my understanding was they had it in a shelter at bandar abbas. where is it?

cave: [redacted] can

second: [redacted]

cave: ((interpreting)) they can bring it in about a day and a half

second: okay

[redacted] as soon as we start, because ((few words missed))

second: do they have a transport? move it

cave: he says they don't want the army to know that they're giving ((few words missed)).

second: so ((few words missed)) they will cover us?

cave: ((interprets)) oh, yes. what he says is that the best way to do this is that we'll have the t-72 get there roughly the same time as the ship

second: he has to give me the time, and i will adjust accordingly. he must also give me instructions

cave: ((interprets))

cave: he doesn't want. he says that the agreement is that just a regular, uh, you know, commercial ((words missed))

second: whatever he wants. if they have the.

cave: ((interprets))

second: the reason why i said navy was that i thought the navy had the cranes. i suppose they do

((interprets))

what did i tell you that it weighs 46,000?

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north forty it weighs 42 tons

second forty-four tons. In fact?

north forty-two tons maybe with a full combat load it's 44 tons

second 44 or 45 tons.

C 10452

north ah, but they have a 100 thousand pound crane at bandar abbas anywhere?

second I don't know.

north well, if I don't, it's never going to get on the ship

second do in the navy

cave: ((asks cave whether or not a suitable crane exists at bandar abbas. cave says that the revolutionary guards has placed one there.))

cave: he says that they have one that they unload ((few words missed

north if it unloads 'em, it will load 'em.

cave ((interprets)) he says that the pasdars have their own pier
((phone rings and apparently giving a room number, sa "515," and hangs up))

second sam would you ask him if they would be so kind as to put a full load of the big ammunition in the tank whatever it is, 30, 40, 50 round whatever

cave ((interprets)) ((while cave interprets, the following exchange takes place between north and second:))

north Why don't we ask him if he wants to get rid of an m1-24 or an m1-221, which we don't have to ((few words missed))

second it would be nice to have though

north no well we've got ((few words missed))

second we've got plenty of that kind of ammo

north I mean that's not as important as.

second well, they may not have it either

north it would be good to have a sample of

second ((asks cave)) do they have it?

cave ((interprets)) they have there's a guy named the
F b i confiscated twenty million dollars ((to an

C 104525

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persian)) When was this?

C 10453

cave. ((interprets)) he says about a year and a half ago

cave. ((inter)) yeah, this was another ...

north. ... sting, or was this ...

cave. I don't know if it was a sting or not. But [redacted] is well in and he [redacted] them that the twenty million dollars ((few words missed)) [redacted] missiles ((two words missed)).

north. ... only guy who can get tow missiles.

second. yeah, but he's got ((word missed)). He's asked ... he wants their money back.

cave. what they want to know is about the money.

north. i don't know, i'll check ...

cave. ((interprets)) he said that they even won a court case for the money in the united states and the f b i was ordered the f b i was ordered by a court to turn over the money, and they haven't yet

north. why don't you get for [redacted] you get for me the facts for our next meeting, and i will go and find out what i can

cave. ((interprets))

second. ((interrupting)) name of attorneys That's a lot of money

north. you get for me the facts on what happened--the names of the attorneys, the dates ... bring that to the next meeting when we give you the communications equipment ...

cave. ((interprets))

north. ... and i will take the information you give me and find out what happened, and then call you on that [redacted] and tell you what the answer is.

cave. ((interprets))

((knock at door))

second. tell him the name of the ship is [redacted]

north. do we have the ship's call-sign?

second. that is the ship's call-sign--[redacted]

[redacted] apparently starts to leave the room))

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second

don't be gone long we've got work to do

C 10454
Tel 10 [REDACTED]

((recording is interrupted at this point when recording is resumed, the conversation transcribed below was in progress. It should be noted that this conversation was available on portions of other tapes produced from another device. (Portions of tape a7 and a8, transcriptions provided earlier.) The quality of this recording, however, is considerably superior to the other tapes, and this transcription contains a number of major revisions and addition of material which could not be recovered from the earlier tapes.))

hakim

... to raise a few issues ((few words missed)) ... some ... are going to raise serious objections, but his ... is to discuss it and try to remove the ((word missed

HAKIM. ((INTERPRETS)) the deduction. JACK IN TEHRAN... HE JUST HE'S SAYING HE'S PASSING ON WHAT THE PEOPLE SAY THERE. THEY CONSIDER that your seven points AS THE OFFICIAL POSITION OF THE U.S. THE NINE POINTS HE REFERRED TO AS THE AGREEMENT BETWEEN [REDACTED] AND PLO. AND EXAMINING THE SEVEN POINTS, THEY COME TO THE CONCLUSION THAT THE U.S. IS VERY CAREFUL AND [REDACTED] HE REFERRED TO THAT EARLIER--IN TAKING THE STEPS TOWARDS NORMALIZING RELATIONSHIPS. AND HE HAS [REDACTED] OUR POSITION BY PASSING ON TO THEM THE POSITION OF THE U.S. THROUGH THE WORDS OF GENERAL SECORD, WHICH WERE THAT THE BOTTOM LINE IS THAT WE WENT THROUGH A YEAR OF SONG AND DANCE WITH YOU, AND YOU RELEASED TWO PRIESTS FOR US AND THEN YOU TURN AROUND AND got two OTHER GUYS. THAT'S THE BOTTOM LINE HE SAYS. "I HAVE PASSED THIS ON to them."

HAKIM ((INTERPRETS)) AS SOMEONE WHO'S INTERESTED IN SEEING THESE THINGS TAKE PLACE, I'D LIKE TO TELL YOU THAT THERE ARE A FEW STEPS, SEPARATE FROM THE STEPS THAT WE ALREADY DISCUSSED. ((THEY)) WILL SOLVE ONE OF THE PROBLEMS. One is the issue of the prisoners in Kuwait--the Da'ua

HAKIM ((Interprets)) The other one is the [REDACTED] cameras for Iran needs them "desperately"

second That's a new one, isn't it?

HAKIM yes it's new and not new because [REDACTED] brought it up

HAKIM ((Interprets)) he says the other one is [REDACTED] spare parts. [REDACTED] parts missed, there are [REDACTED] phoenix missiles that are not operational

cave there are [REDACTED]

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hakim: and by the way, [redacted] has given me the list of spare parts and in his opinion, this is a move that can resolve the question of all the hostages because hashemi-rafsanjani is interested personally in this.

hakim: [redacted] he has told him a few times.

C 10455

second: [redacted] is interested in what--the [redacted] missiles?

hakim: [redacted] the spare parts and repairing ((word missed)).

hakim: [redacted] upon the release of the two ... immediately follow them ((two words missed)) to go to work ((two words missed)) phoenixes and bring some of the ?parts? with them. ((few words missed.)) The 1500 tons ... they do not necessarily have to have them right away because they have now enough to operate.

second: ((few words missed.)) Does he have some other points? because I have a lot of questions--unless you want to discuss them now.

hakim: ((interprets))

second: on phoenix missiles, if you have [redacted] phoenix missiles at isfahan, guess is that you don't need any spare parts--or you may only need a few spare parts--and you might point out what you need is one or two technicians, probably at least two technicians for different functions within

cave: do they have the calibration equipment?

second: they did have [redacted] I put it [redacted] there.

cave: that's what I wanted to ask you ((few words missed))

second: they had the hawk missile building and test equipment. we all put it [redacted] I don't know if it's still there [redacted] not hawk, but phoenix I've got hawks on the brain

((round of exchanges missed))

hakim: ((interprets)) he says all the calibration [redacted] is there.

north: does it work?

hakim: ((interprets))

second: he doesn't know

hakim: ((interprets)) he says the air force has told him they are there but [redacted]

second: THEY HAVE A LIST OF SPARE PARTS FROM THE AIR FORCE, BUT I DON'T

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TRUST THE AIR FORCE. BECAUSE WE WERE JUST STARTING TO TRAIN THE HOMAFARS IN THIS FIELD. AND NONE OF THEM WERE any THEY WERE NO ((two words missed)) YOU KNOW, THEY WERE NOT REAL PROFICIENT NONE OF THEM WERE.

HAKIM: ((INTERPRETS FOR [REDACTED]))

C 10456

SECCD MY GUESS IS THAT YOU HAVE BIG PROBLEMS IN THE FIRE CONTROL SYSTEM--THE AWC-9 FIRE CONTROL SYSTEM--radar and fire control on [REDACTED] airplane.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCD then, [REDACTED] of course, you UNDOUBTEDLY have PROBLEMS WITH THE MISSILES THEMSELVES, BECAUSE THEY require a lot of care. [REDACTED] said you need at least two technicians, [REDACTED] are different kinds of ((word missed)) they probably need six. I HAVE NOT SEEN THE LIST OF SPARE PARTS YOU TALK ABOUT, BUT I WOULD NOT... I DON'T IMAGINE IT'S A VERY GOOD LIST is what I'm trying to say. I could look at it, but it wouldn't mean anything to me. I WOULD NOT BE INCLINED TO SAY IT'S A VALID LIST UNTIL EXPERT TECHNICIANS LOOK AT ((word missed)).

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] ((MISSED))

hakim. ((interprets)) he says [REDACTED] don't you get your expert ((few words missed)) tuesday.

second but I must ((few words missed)) to leave before tuesday this is big problem for us we will have to do some organizing I ALSO BELIEVE THAT THERE ARE A LOT OF SPARE PARTS IN THE DEPOT AT ISFAHAN AND IN DOSHANTAPAH not in doshantapah but in [REDACTED] what's the name of that place near to doshantapah the air force logist uh [REDACTED] there's a special name for it but anyway, between THESE TWO SITES, THESE TWO DEPOTS, I AM CERTAIN THAT THERE ARE MANY SPARE PARTS WHICH THEY CAN NOT IDENTIFY BECAUSE their automa logistics systems just shut down.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCD AND THEN FINALLY I WOULD SAY THAT IF YOU HAD [REDACTED] MISSILES, GOOD TECHNICIANS COULD CANNIBALIZE AND MAKE OPERATIONAL SOME MISSILES VERY QUICKLY--IF YOU HAD GOOD TECHNICIANS

HAKIM: ((INTERPRETS FOR [REDACTED]))

Qnorth? ((missed))

second at minimum ((few words missed)) there are [REDACTED] different M D E 's involved in this area I don't [REDACTED] words missed)) they're great missiles; but they're complicated

cave ((missed))

second well we'd have to go to hughes, I think, and find [REDACTED] some volunt ((few words missed)) well, I'm coming to my bottom line now

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C 10457

north: ?where's? the answer?

second: there isn't any easy answer

north: sure there is.

second: what?

north: get them all back and ... the big problem, dick, is that anything between now and the ((few words missed)).

second: that's what i'm coming to. WHAT I'M TRYING TO SAY TO [REDACTED] IS THAT THIS IS NOT A SIMPLE PROBLEM THAT CAN BE FIXED OVERNIGHT. IT'S GOING TO TAKE A LITTLE BIT OF time.

cave: would it be better to bring them out?

second: it might be.

north: bring what out? the missiles?

second: it might be better to bring some out, but ...

north: yeah, but then you can't ((word missed)) ... we've got to bring the airplanes out too. [REDACTED] on the bird?

second: i'm saying it's not a simple problem, and the white house is going to have to authorize us to send in some technicians, and then we've got to go through these steps before we do it

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECOND: ((PORTION MISSED)) it's TECH SUPPORT for HAWKS we were TALKING ABOUT, but you KNOW, I'M SURE THE PRESIDENT WOULD AUTHORIZE US TO with them IF WE GOT OUR THREE PEOPLE. But we're going to have to OUR THREE PEOPLE. Right or wrong?

NORTH: YEAH, THAT'S EXACTLY THE PROBLEM.

SECOND: TO PUT IT ANOTHER WAY, [REDACTED] YOU GIVE ME THE THREE PEOPLE TOMORROW AND BY NEXT WEEK WE'LL PROBABLY HAVE SOME PEOPLE IDENTIFIED to do this work.

HAKIM: ((INTERPRETS FOR [REDACTED])). ((THEN hakim and north speak a few sentences which cannot be heard.))

hakim: our agreement is to send ... step six ... ?more? hawk ... ((few words missed)). they want to change ((two words missed)). folio

north: well yeah, but step five above that ...

hakim: it has nothing to do with ?phoenix?. ((sentence missed)) they are making a change--step six is the hawk. they want to have phoenix but then we change our position--we send also technicians who can do that, and then ... but we want three. follow me?

SECOND: well you're SAYING THE SAME THING I JUST SAID, WHICH IS I THINK THE PRESIDENT WILL AUTHORIZE US to DO SOME TECHNICAL WORK--WE'VE ALWAYS TALKED ABOUT THIS. IF WE GET OUR THREE PEOPLE BACK THAT'S WHY I SAID, "you GIVE ME

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THE THREE PEOPLE TOMORROW, AND I'LL BET YOU HE'LL SAY
okay go get SOME TECHNICIANS next week

C 10458

hakim is it okay if i say it the way i said it? he would understand it better.

NORTH THE PROBLEM I'VE GOT IS THE WHOLE DAMN appearance of bodies. I MEAN, IF WE'RE REALLY HERE ABOUT THIS WHOLE FRIGGIN THING, WHAT WE OUGHT TO BE DOING IS, THEY OUGHT TO BE EXERCIZING EVERY POSSIBLE POINT OF LEVERAGE THEY'VE GOT TO GET THOSE PEOPLE OUT, AND WE AGREE THAT AS SOON AS THEY'RE OUT, WE CAN DO ALL KINDS OF GOOD THINGS, BECAUSE THAT'S WHERE WE'RE STANDING? WE WILL HAVE? A FRIGGIN FMS CONTACT ?team? THERE? WHAT WE'RE TRYING TO DO IS TO close the bridge RE? THIS SECRET SHIT, AND GET ON WITH THE REAL

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU KNOW, WHEN WE WERE IN TEHRAN, okay, FOULED UP THOUGH IT MAY HAVE BEEN, IF YOU LOOK AT THE DOCUMENT THAT I WROTE AND MCFARL WAS PREPARED TO SIGN, YOU WILL SEE THAT THAT'S WHAT WE WERE TALKING ABOUT WAY BACK THEN, WAY BACK IN MAY--is to get BEYOND THE HOSTAGES and GET ON WITH A FORMAL RELATIONSHIP

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: EVERYTHING WE HAVE DONE SINCE THE VERY FIRST CONTACT, WHETHER IT BE STEP BY STEP OR WHETHER IT WAS ALL AT ONCE, THAT'S WHERE WE'VE BEEN TRYING TO GO.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: YOU GUYS DON'T TRUST US, AND WE DON'T TRUST YOU, AND SO WE END UP DOING IT A LITTLE BIT AT A TIME, and it takes forever

HAKIM: ((INTERPRETS FOR [REDACTED]))

cave ((to [REDACTED] in persian) when i wrote this ((word missed)) we "agreed" with regard to technicians for the hawk missile fine now, it is our opinion that there will be no problem with regard to technicians for the phoenix but this is a new thing

[REDACTED] no ((inaudible.))

cave: no there was no problem.

[REDACTED] ((talks for about a minute inaudible))

"cave" ((inaudible))

"second" money?

"cave" ((portion missed)) have got four million

"second" millions of dollars

hakim i happen to be the agent who "sold them" ((few words missed))

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2nobody asks?

2north? how much were they?

hakim: uh, c. 2. chicago 2area? industries ... c. a. ((then starts to talk ... north interrupts))

north: ... it is!

((second had hakim talking at the same time.))

hakim: ... at that time, it was about ... close to two million dollars (few words missed)

second: ... ABOUT THE LONG FOCAL length camera.

hakim: right

second: that's NOT WHAT'S HE'S TALKING ABOUT.

NORTH: but SEE, YOU DON'T KNOW UNTIL YOU ACTUALLY GO OUT THERE AND ((FEW WORDS MISSED))

SECCRD. IS HE TALKING ABOUT THE INTEGRAL SYSTEM--THE SYSTEM IN THE NOSE (THE AIRPLANE)?

HAKIM ((asks ... what system he is talking about. ... does know ... asks if he is talking about "oblique." north interrupts.))

NORTH WE CAN GO JUMP THROUGH OUR ... AND GET YOU A camera THAT WILL COS A MILLION DOLLARS, OR WHATEVER, AND IT WILL TURN OUT TO BE THE WF (expletive) camera ... ((interpreting)) that one!

HAKIM ((INTERPRETS FOR ...

HAKIM HE IS NOT NEGOTIATING this...

NORTH: I UNDERSTAND THAT.

HAKIM he is just advising ... HE'S SAYING THE SAME WAY THAT YOU ARE TELL ME, WHAT ARE THE THINGS THAT WOULD OPEN THE WAY FOR YOU IN THE UNITED STATES, I AM PASSING ON TO YOU THE WAY THAT WOULD OPEN THE WAY FOR ME AND FOR ... to do things. ... I ... am that nobody wants me to pass this ... for instance ... not going to be costing you a thing? to send these guys ... not trying to save some money. If you don't raise the ... the cost of these technicians, that is going to create ... and ... sphere, it can not be...

second: we haven't talked about cost of technicians

NORTH YOU KNOW, WHEN WE GO AND DO SOMETHING LIKE THAT, THERE ISN'T GOING TO BE A cost for it. I KNEW EXACTLY WHAT THE THREE THINGS YOU WERE GOING TO TALK ABOUT WERE. YOU KNOW WHY? BECAUSE ANOTHER EMIR FROM IRAN HAS ALREADY TOLD OUR GOVERNMENT THAT THAT'S EXACTLY THREE THINGS THAT WERE RAISED WITH US TWO WEEKS AGO.

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HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: I'M TELLING YOU, WE'RE SO CLOSE TO HAVING DONE THE RIGHT THING--YOU AND I AND [REDACTED] AND THE MEN IN THIS ROOM, AND YET WE'RE GOING TO FOUL IT UP, I CAN SEE IT COMING

HAKIM: (([REDACTED] FOR [REDACTED]))

second [REDACTED] old th [REDACTED] is a year ago.

C 10460

NORTH: [REDACTED] HAVE KNOWN FOR OVER A YEAR, THAT YOU NEED TECHNICAL HELP, AND WE HAVE OFFERED CONSTANTLY TO SEND IT. GO BACK AND READ THE DOCUMENT THAT I WROTE IN TEHRAN IN MAY.

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH: AND [REDACTED] TO GOOD [REDACTED] OR WHATEVER THE HELL HIS NAME IS, I GAVE IT TO HIM. IT'S IN THAT ONE

CAVE: ((UNINTELLIGIBLE))

NORTH: WHEN WE WERE IN TEHRAN, ALL MCFARLANE SAID WAS, "LOOK, WE DON'T WANT YOU GUYS TO LOSE THE WAR, WE WANT AN HONORABLE SETTLEMENT AND ALL YOU HAVE TO DO IS USE YOUR INFLUENCE TO GET THOSE HOSTAGES OUT, AND WE'RE GOING TO DO ALL KINDS OF THINGS FOR YOU." IN FACT, HE SAID, "DON'T LIMIT YOURSELF TO [REDACTED] THIS. THERE IS MUCH, MUCH MORE THAT COULD BE DONE. THE HOSTAGES HAVE TO GET BEYOND US. WE HAVE TO GET BEYOND THEM."

HAKIM: ((INTERPRETS FOR [REDACTED]))
((time out for tea))

HAKIM: ((INTERPRETS)) THEY ARE CONVINCED THAT WE HAVE "GOOD intentions?" HE HAS SAID IT BEFORE, HE SAID, "AFTER THINGS BROKE UP IN IRAN, AND YOU LEFT AND THEN [REDACTED] you sent this STUFF, THAT INDICATED TO THE IRANIANS THAT THE AMERICANS HAVE good ((few words missed)). he has brought this up but he says, in other words he's saying he knows that we have "good intentions?"

NORTH: so HOW THE HELL DO WE GET FROM WHERE WE ARE TODAY TO WHERE WE'VE TO GO?

HAKIM: ((INTERPRETS FOR [REDACTED]))

[REDACTED] and hakim talk for a while in persian))

HAKIM: ((INTERPRETS)) HE SAYS A COUNTRY LIKE THE UNITED STATES--A SUPERPOWER-- IS IT NOT IN THEIR POWER TO SEND [REDACTED] technicians tuesday? I SAID, "YES IT IS. [REDACTED] them on monday, we can send them on sunday." [REDACTED] that's why I wanted a few minutes. THEN I SAID, "THE IMAM LIKE KHOMEINI--THE FIRST SHIAH IMAM FOR THE [REDACTED] government of shiahs in the world-- HE DOESN'T HAVE THE POWER OF GOING TO LEBANON AND TELLING THOSE ASSHOLES TO RELEASE THE THREE HOSTAGES? SUCH A GREAT RELIGIOUS POWER?"

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~~TOP SECRET~~

north and his answer was?

hakim "NO HE DOESN'T know the details." I SAID, "WELL, OUR PRESIDENT DOESN'T the details." I'M TRYING TO MAKE THE POINT THAT IT'S THE WRONG ATTITUDE TO SIT BACK there and say THE STATES IS A SUPERPOWER, AND we FORGET THAT IT'S A SUPER RELIGIOUS COUNTRY. IT'S VERY EQUAL.

NORTH: it is THE INFLUENCE THAT THE IMAM HAS OVER 10461
THOSE WHO HOLD THE HOSTAGES IS near total.

HAKIM: OF COURSE. HE CAN GET THOSE PEOPLE BACK WITH ONE WORD. ONE WORD. I'M CONVINCED IT'S no bullshit. i think...he can. he can.

HAKIM: ((INTERPRETS FOR [REDACTED] and hakim talk in persian))

HAKIM: ARE YOU GOING TO STICK TO THE PAPER THAT YOU GAVE THEM IN MAY. IF YOU GET THE HOSTAGES BACK?

NORTH: SURE. AND YOU notice that paper ALSO TALKS ABOUT "ALL OF THE HOSTAGES," ALL THE HOSTAGES. ALL TERRORISM STOPS. that paper talks about that.

HAKIM: I UNDERSTAND BUT YOU ARE STICKED TO STICK TO YOUR PAPER OF MAY?

NORTH: OF COURSE

HAKIM: ((INTERPRETS FOR [REDACTED]

north: this sticks to that paper. that's part of that.

second: i don't know if he's seen it.

HAKIM: i'm trying to make a point. just trying to help
((hakim and [REDACTED] talk in persian.))

hakim: you gave him a copy and he has read it?

NORTH: YEAH. AND THERE IS STILL A COPY THERE IN TEHRAN

HAKIM: yeah. he has read it.

second: has he read our proposal on the da'wa prisoners? i don't know if seen it.

hakim: ((interprets)).

hakim: yeah, he liked it. he saw it.

hakim: ((interprets)) he said he liked the approach that you gave the pa he quoted it ((few words missed)) you could have insisted that you wanted to give the paper after ((few words missed)). he said these things open the way. very important. i said: "we are will

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how can we tell you?"

second we have some more information on the da'wa prisoners that sam h
NORTH IT WAS NOT JUST GIVING YOU A PIECE OF PAPER. WE HAVE ALREADY STAR
CAVE. (()) WE'VE TAKEN ACTION.

HAKIM: ((INTERPRETS FOR))

C 10462

HAKIM: explaining to him one american ((word missed)). if he
meaning an american)) says, "maybe i can do
something?" he has studied the situation thoroughly
more he says maybe. they ((the americans)) told you
(()) says... in two days they have the goddamn
IF THESE PEOPLE ((the americans)) HAVE
LIST OF THE 17 GUYS, YOU CAN BET YOUR ASS
THAT THEY HAVE STUDIED IT AND EXAMINED IT AND THEY ARE
TAKING STEPS.

NORTH: I HAVE ALREADY MET WITH THE KUWAITI foreign MINISTER, SECRETLY.

HAKIM: ((INTERPRETS FOR))

NORTH: IN MY SPARE TIME BETWEEN blowing up nicaragua. ((LAUGHS))

SECOND WE HAVE ALSO GOTTEN A SPE REPORT sam has... on the prisoners.
and some interesting information... like they haven't been visited.
which is ridiculous

((CAVE AND)) CON IN PERSIAN. UNINTELLIGIBLE.))
((second and north talk at their drinks. two conversations
going on at once))

north what are we talking about

cave we were just going over

second ((interrupts)) he's all over the area

cave the experts and everything? ((few words missed)) what's
really needed is a group of people to go out there. they've
got all kinds of problems

NORTH WELL, OF COURSE THEY DO. I TOLD them THIS A YOU GO
LOOK, LET ME TELL YOU SOMETHING THE PROBLEM--JUST TO WE ALL
UNDERSTAND IT--IS IF A VISIBLE EFFORT IS MADE BY THE UNITED STATES
GOVERNMENT WHEN THERE'S A LONG LIST OF HOSTAGES BEING HELD IN
LEBANON, THIS PRESIDENT IS GOING TO GET STONED

second. and by his own people.

NORTH YOU KNOW. IT JUST AIN'T GOING TO HAPPEN and this effort is
going to be visible

CAVE ((INTERPRETS FOR))

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C 104506

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CAVE: HE SAYS YOU GUYS DON'T KNOW WHAT YOU'RE TALKING ABOUT. HE SAYS, "JUST sold us some RADARS AND THEIR TECHNICIANS ARE IN TEHRAN NOW, WORKING ((few words missed.))"

NORTH: I KNOW, BUT IT WASN'T DONE WITH THE AUTHORITY OF THE GOVERNMENT.

HAKIM: ((word missed))

C 10463

yes it was. how could it be that ((few words missed))

CAVE: ((interprets)) he says, "i don't want to say this, you know, destroy what we're doing."

north:

CAVE: what's the name of the radar...?

north:

the ((word missed)) told us, "we will come with the cover story that we are installing the radars ((word missed)) to ((word missing)) the russians. of course, we will come and install them for you adjacent to? Iraq. ((portion missed))."

CAVE: ((interprets)) ((inaudible))

NORTH: yeah but, again, the GOVERNMENT IS NOT AN ACTIVE PARTICIPANT IN THE GOVERNMENT DECISIONS.

CAVE: but the other thing ((few words missed)) is the ((word missed)) know ((few words missed))

north: that's true

CAVE: and he says that their ((word missed)).

north: that's true.

second: what did he say about the kuwaiti prisoners? he wasn't interested in what you had to say?

CAVE: he had no comment.

second: he ought to have a comment

north: that's why? i spent seven days trying to put ((word missed)) together

((during the above exchange between cave, second, north, hakim and ((word missed)) were talking in the background, cave continues talking quietly to north and second. most of what he says is inaudible.))

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1 page

C 10464

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NORTH

CAVE

NORTH

CAVE

CAVE: ((INTERPRETS UNINTELLIGIBLE.))

C 10465

NORTH: AND THE [REDACTED] WILL KNOW IF WE SEND TECHNICIANS IN--TECHNICAL EXPERTS. THEY'LL BECOME AWARE OF IT.

CAVE: ((INTERPRETS FOR [REDACTED] MAKES ADDITIONAL COMMENTS TO [REDACTED] AND EXPLAINS TO NORTH [REDACTED] HE HAS TOLD [REDACTED] ONLY SNATCHES OF WHICH WERE INTELLIGIBLE.))

NORTH: WHEN MCFARLANE WAS IN [REDACTED] ... and MY FRIEND [REDACTED] WAS THERE. MCFARLANE KEPT SAYING THINGS LIKE, "LOOK PUT THIS BEHIND [REDACTED] DON'T LIMIT YOURSELF TO THESE SMALL LITTLE THINGS. THINK BIG. THINK BEYOND THE HOSTAGES. THINK ECONOMICALLY. THINK OF ALL KINDS OF WAYS IN WHICH WE CAN HELP YOU, NOT JUST [REDACTED] PHOENIX MISSILES that's nothing. think big. and THAT'S THE IMPORTANT THING TO DO [REDACTED] WE CAN'T THINK BIG WHEN WE'VE GOT THAT STARING [REDACTED]

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hakim: he wants to get to the last issue.

cave: he wants us to look into the ((word missed))

north: i will. i will

((CHATTER ABOUT north NEEDING AN ASPIRIN; north [REDACTED] the room))

SECCRD: TELL HIM THAT IF HE JUST GOES OUT TOMORROW [REDACTED] THE NEXT DAY AND GRABS THOSE THREE GUYS OUT OF LEBANON, WE CAN GO BACK IN AND REBUILD HIS GODDAMN AIR FORCE. I BUILT [REDACTED] I'LL GO BACK IN AND BUILD IT AGAIN. THAT WAS MY BABY; I BUILT THAT AIR FORCE-- FOUR AND A HALF YEARS on it.

HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCRD: YOU SEE THAT TAKES THE HEAT OFF THE PRESIDENT when you do that. WE CAN GO OUT HERE AND RECRUIT PEOPLE AND SAM CAN HELP US FIND SOME PEOPLE-- PEOPLE WHO HAVE RETIRED FROM THE MILITARY, PEOPLE WHO ARE IN INDUSTRY.

CIN 4525

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HAKIM: ((INTERPRETS FOR [REDACTED]))

SECCRD WE'LL SAY THEY'RE SWISS OR SOMETHING, YOU KNOW, AND IT'S NOT A PROBLEM. BUT IT TAKES TIME

CAVE: ((INTERPRETS FOR [REDACTED]))

[REDACTED] LE CHATTER. north returns.))

cave: I forgot about those. 22 chincoks that are embargoed ((few words missed)) already paid for ((few words missed)).

north: It's it's true.

second: rect story, only i think it's only eight that are paid for. I GUARANTEE HIM THAT IF HE LETS US SEND A COUPLE OF LOGISTICS EXPERTS INTO THEIR DEPOT. WE'LL FIND A BILLION DOLLARS WORTH OF STUFF THEY DON'T KNOW THEY'VE GOT--IN TWO WEEKS.

C 10466

CAVE: ((INTERPRETS FOR [REDACTED]))

north: save you a lot of money

SECCRD we HAD the IRANIAN AIR FORCE was THE MOST WELL-SUPPLIED AIR THE WORLD HAS EVER SEEN 1979.

north: better than ours

second: oh, much better they three years of supply--combat rates on every line item.

NORTH HOW ARE YOU GOING TO FILL BARG ISLAND?

HAKIM: ((INTERPRETS FOR [REDACTED]))

NORTH HOW ARE YOU GOING TO PROVIDE HOUSES this winter?

HAKIM: HE SAYS THAT'S NOT AN ISSUE because THEY ARE NOT GOING TO PRODUCE MORE THAN TWO MILLION BARRELS A DAY

north: why? OPEC?

HAKIM: ((interprets)) he says the experts know it. ((few words missed))

NORTH BUT THAT'S BECAUSE THERE HASN'T BEEN ANY INVESTIGATION done s THE WAR STARTED.

HAKIM: ((INTERPRETS FOR [REDACTED]))

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HAKIM: EVEN THE SHAH COULD NOT PRODUCE MORE THAN FOUR MILLION ((few words missed))

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MISSED))

cave. ((few words missed)) produced five and a half million a day.
 north: yeah; but he's talking about for export--you're right. one and
 a half million went home and four went out.

second: ... was lifting five and a half million a day.

north: true. four million for export and one and a half ...

hakim ((interprets))

hakim ... ?but? seven and a half million breaks down to
 ... words missed)).

SECOND: THE POINT IS THAT--AS I'VE BEEN TELLING THESE GUYS FOR OVER A Y
 NOW--A FEW WELL-PLACED TECHNICAL EXPERTS. IN WHATEVER FIELD
 THEY'RE TALKING ABOUT, IS WORTH MORE MONEY THAN THEY
 COULD EVER SPEND ((FEW WORDS MISSED)).

HAKIM ((INTERPRETS FOR

north: you know, it is real important to get these guys hot on
 getting ((few words missed)). it ought not to all fall
 to him. you know THERE'S AN IMPORTANT POINT ON THE
 TECHNICAL teams, AND THAT'S THAT ISSUE--IT'S JUST
 LIKE THE MCFARLANE Trip THAT WILL BECOME PUBLIC.

HAKIM ((INTERPRETS FOR

C 10467

second: we told him that while ... were out

NORTH: WE WANT TO MAKE SURE THEY CAN DO IT RIGHT, AND THAT
 IT'S NOT GOING TO COST ANYTHING to put these people
 over there--it won't cost you anything. but because of
 the RISK OF THAT BECOMING PUBLIC, WE CAN'T DO THAT
 while these other guys are still being held.

HAKIM ((INTERPRETS FOR

NORTH: IT'S TIME FOR YOU GUYS TO TAKE A CHANCE.

second: I don't think ((few words missed))

north: sure it is.

hakim: they just don't want to get their imam ((few words missed)) he
 could do ... just like that ((snaps fingers)) ... are too
 lazy--that's it. they just don't want

north: it's a political risk

cave: ((interprets for

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hakim ((to second in persian)) mr second, when are you going to the

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CAVE: ((in persian)) is it an official invitation?

SECOND: iran?

HAKIM: ((in persian)) when are you going?

SECOND: the sixth step.

HAKIM: (few words missed)

SECOND: ((few words missed)) no, but WE HAVE THE GUY WHO... I'VE
ALREADY RECRUITED THE GUY WHO [REDACTED]

HAKIM: INTERPRETER [REDACTED]

SECOND: [REDACTED] just retired from the army.

((knock at door.))

NORTH: whoa, whoa, whoa, whoa, whoa--who's that? who is that?

((someone calls, "who is it?"))

SECOND: look through the hole.

((hakim calls to [REDACTED] leaves room. chatter
about a chinese restaurant))

SECOND: what's [REDACTED] doing here?

HAKIM: [REDACTED] asked him to come.

SECOND: why?

HAKIM: gentlemen, [REDACTED] IS RUNNING THE SHOW?

NORTH: WHO THE ((EXPLETIVE)) IS [REDACTED]

HAKIM: okay, i'm glad you asked. HIS LAST NAME IS [REDACTED] HE
OWNS this SHIPPING COMPANY, HE'S THE ONLY GUY IN TOWN--
-IN TEHRAN--WHO CAN STILL PROVIDE WOMEN, WINE, AND
DANCING AND OPIUM. HE PROVIDES MONEY ...

CAVE: ((UNINTELLIGIBLE.))

HAKIM: HE IS THERE NOW.

SECOND: WHERE IS THE BASTARD?

HAKIM: HE'S IN TEHRAN AND HE'S GOING TO [REDACTED] all
kinds of things for the iranian government. [REDACTED]
AFRAID THAT HE'S BEING kicked OUT OF THE COUNTRY, AND
turns [REDACTED] against me, he turns [REDACTED] at the time
... he does all kinds of things. he is a nigger in the
...

NORTH: the woodpile.

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hakim: right.

north: ((missed))

cave: well- there had to be one of those.

SECOND: WHILE YOU WERE OUT OF THE ROOM THAT HE WAS
GIVE THE PROBLEM OF THE THREE HOSTAGES,
right? he said it again, BUT WE DON'T KNOW HOW.

NORTH: I DON'T CARE HOW RIGHT NOW.

SECOND: DON'T CARE HOW EITHER, EXCEPT I HAVE SOME DOUBT THAT HE WILL.

HAKIM: I CAN'T. I KNOW THAT.

NORTH: I KNOW, YOU SAID IT YOURSELF. THE ONLY THING THAT WAS
NECESSARY IS FOR THE IMAM TO MAKE VERY CLEAR TO PEOPLE...

HAKIM: AND the SITUATION IS ripe FOR THEM TO DO IT.

CAVE: what i don't understand is ((word missed)) HAS TO ((few wor
missed)).

second: I didn't know that they ?saying? ...

?hakim? is staying here?

north: NO going

CAVE: HOW'S HE GOING TO DO IT FROM HOW'S HE GOING
get THOSE GUYS RELEASED

hakim: he's supposed to have to addamn thing out. C 10469

second: by friday?

hakim: pardon me?

second: the day after tomorrow he's supposed to have them out?

hakim: ((word missed.)) he's supposed to also to have ((remainder of
sentence missed)).

second: ((missed))

north: i thought i had a copy of the original agreement from tehran.

cave: there have been so many agreements ...

north: no no no. there was only one of those.

second: yeah, but that was never an agreement.

cave: i remember that; i wish i would have written the english, then
i could have translated. For could have translated, into fa

north: i think she did a very good job, given it was both ((few words
missed))

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hakim: ollie, if you got the three hostages back, how many shish would you be prepared to eat ((few words missed))?

north: i'd eat shish till the cows come home i'm willing to go

((chatter in background))

cave: what about shish! you know, there's a chinese restaurant that looks like a dive in frankfurt, and there's a sign ((few words missed)) in farsi "ghazaye irani."

second: where, in frankfurt?

north: what's ghazaye irani mean?

cave:

second: are we going to eat tonight, or are we just going to ...

north: i'm going to eat, i'm going to eat. you guys can sit around and ((expletive)) all you want. i am going to go eat.

cave: where are you going to go? ((few words missed)) chinese food.

north: i don't care what i eat, i'm going to eat. i have not eaten yet today.

hakim: what in the hell was that ((few words missed))?

north: that wasn't eating. that was standing up on the ((word missed)) my idea ((few words missed)).

cave: do you have an extra envelope?

north: do i have an extra envelope? what do you want to put in it?

cave: ((few words missed)). but i've got to get back. 10470

north: i've got photographs of T-72 tanks ...

((chatter in background))

north: hey guys, i've got to go home and tell the boss something what do i tell him? no deal?

hakim: what are you talking about?

second: no, no, no, no, no. we're getting our two days off this weekend. we're not ... i'd like to see us get that ... though, the thing that befuddles me is i don't UNDERSTAND WHY IT'S NOT EASIER FOR THEM TO GO AB THREE IN ONE STROKE.

north: i don't either.

hakim: BECAUSE, I THINK ... YOU WANT AN ANSWER ... BECAUSE they can't have enough ... you see they do not want to USE KHOMEINI ... IF YOU put that aside--that they DON'T WANT TO USE THE BIG GUN.

north: wait a minute. khomeini ...

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hakim: if they use khomeini, they can do almost anything as far as the shia is concerned.

second: if they send an order to the revolutionary guard to get them, then they

HAKIM: NOW WHERE THEY ARE. they know ((few words missed))

CAVE: THEY KNOW WHERE THEY ARE.

HAKIM: O. THEY KNOW WHO'S got THEM.

second: THEY KNOW WHERE THEY ARE. TOO, i'll bet you. YOU THINK BECAUSE I DON'T KNOW WHERE THEY ARE?

NORTH: A BUNCH OF CRAP; THEY KNOW EXACTLY WHERE THEY ARE.

HAKIM: in fact at ONE POINT THEY OFFERED TO give us... tell us where they are?.

NORTH: WELL, I'LL TAKE THAT deal right now.

SECCRD: why don't they GIVE US TWO AND THE LOCATION OF THE THIRD ONE?

NORTH: NO. GIVE US THREE AND THE LOCATION OF THE OTHER THREE.

hakim: ((laughs))

north: i mean really— THERE'S SEVEN AMERICANS MISSING. gang. SIX.

SECCRD: i think YOU YOURSELF KNOW THAT THE PALESTINIANS ARE INVOLVED IN OF THIS action.

NORTH: I THINK THAT THE LIBYANS ARE PROBABLY INVOLVED IN THE LAST THREE, BUT I DON'T KNOW ((FEW WORDS MISSED.))

SECCRD: SO THEY MAY WELL BE TELLING THE TRUTH WHEN THEY SAY THAT THEY DON'T KNOW WHERE THEY ARE.

CAVE: THAT ONE GUY WAS AS NUTTY AS A FRUITCAKE.

NORTH: I GRANT YOU THAT. ANYBODY WOULD ((FEW WORDS MISSED.))

cave: but they're certainly involved in those other ones. 471
((few exchanges missed))

NORTH: we THINK THAT THERE was a contract job done

((end of minitape))

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
Chapter 14, Footnotes

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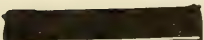
264-267

MEMORANDUM FOR THE RECORD**SUBJECT: FRANKFURT TAPES****TO: Charles Allen**
NIO Counterterrorism
CIA 

14-264/6267

1. (TS NF) Accompanying this memo are the transcripts of tapes numbered A-11 through A-15 inclusive obtained during the 29-30 October 1986 meetings of U.S. and Iranian negotiators in Frankfurt.

2. (TS NF) There now remain just five tapes requiring transcription, those numbered A-16 through A-19, inclusive, plus one mini-cassette. Transcripts for these will be forwarded as completed.


Declassify On: Originating Agency's Determination Required

Partially Declassified: Release on 1/26/88 -
under provisions of E.O. 12958
by B. [redacted] National Security Council

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((TAPE A11))

A. 14 + 166-167

C 313

([REDACTED] AND ANOTHER PERSIAN, APPARENTLY [REDACTED]
CONVERSING. ONLY ISOLATED WORDS AND PHRASES
CAN BE UNDERSTOOD. HAKIM IS NOT PRESENT.)

((END TAPE A11))

((TAPE A12))

([REDACTED] AND ANOTHER PERSIAN, [REDACTED]
CONVERSING. ONLY ISOLATED PORTIONS CAN BE UNDERSTOOD.
CALL MADE TO HOTEL SWITCHBOARD TO FIND OUT WHETHER A
TELEX HAD BEEN RECEIVED FROM TEHRAN. ANOTHER CALL
ORDERING BREAKFAST FOR ROOM [REDACTED]. HAKIM ARRIVES.
HAKIM MAKES A PHONE CALL. ASKS FOR A MR. SCHNEIDER.
SCHNEIDER NOT AVAILABLE; HAKIM TALKS TO SOMEONE ELSE
(THIS CALL IS ON THE "B" TAPES RECORDED DURING THESE
MEETINGS.) LATER, PHONE RINGS AND [REDACTED] TALKS
BRIEFLY TO SOMEONE IN PERSIAN. BREAKFAST ARRIVES.)

((END TAPE A12))

((TAPE A13))

((CONTINUATION OF BREAKFAST CONVERSATION BETWEEN HAKIM,
[REDACTED] AND [REDACTED] TELEVISION ON. ONLY ISOLATED
PORTIONS CAN BE UNDERSTOOD.))

((END TAPE A13))

((TAPE A14))

((TAPE BEGINS WITH PARTICIPANTS APPARENTLY GETTING
READY FOR THEIR MEETING. SOMEONE OPENS THE WINDOW.
VOICES IN THE DISTANCE, PROBABLY IN AN ADJOINING
ROOM. SOUNDS LIKE THE MAID IS CLEANING UP THE ROOM.
SOMEONE CHATS BRIEFLY WITH HER IN ENGLISH. [REDACTED]
AND [REDACTED] CHAT. U.S. PARTICIPANTS BEGIN TO ARRIVE.
THEN:))

SECOND: TWO THINGS WE WANT TO TALK ABOUT. WE WON'T SPEND MUCH TIME.
BUT TWO THINGS ARE VERY IMPORTANT.

CAVE: ((INTERPRETS))

SECOND: ?HE/WE? SAID THAT IRAN, THE COUNTRY, IS NOW RUN LIKE SHAREHOLDING-
DIFFERENT GROUPS SHARING POWER.

CAVE: ((INTERPRETS))

SECOND: OUR GROUP, WHICH IS THE PRESIDENT AND HIS MEN, ARE VERY CONCERNED

FROM RECIPIENT

Partially Declassified
under provisions of E.O. 12958
by B. Roger, National Security Council

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C 314

AS TO WHETHER OR NOT WE ARE INDEED DEALING WITH THE GOVERNMENT OF IRAN. THEY RECOGNIZE THAT THERE ARE DIFFERENT FACTIONS; YET THEY STILL QUESTION WHETHER WE'RE DEALING WITH THE TOP.

CAVE: ((INTERPRETS))

SECOND: THIS EXERCISE THAT WE'VE RUN THROUGH THE PAST SEVERAL WEEKS ABOUT GETTING THE MONEY INTO THE BANK, INTO OUR SYSTEM SO WE CAN GET THE TOWS, HAS BEEN WORSE THAN A ((WORD MISSING)). IT'S BEEN TERRIBLE, AND THE IMAGE CREATED BACK IN WASHINGTON IS WHAT WORRIES ME.

CAVE: ((INTERPRETS))

SECOND: JUST AS IN ANY BIG COUNTRY, THE PRESIDENT GETS INFORMATION FROM MANY OF HIS DEPARTMENTS--HIS INTELLIGENCE PEOPLE, INFORMATION PEOPLE, SENIOR ADVISORS. A NUMBER OF ADVISORS TO THE PRESIDENT THINK THAT WE'RE CRAZY--WE MUST BE CRAZY.

CAVE: ((INTERPRETS))

SECOND: SO MAYBE SAM AND I AND NORTH CAN UNDERSTAND SOME OF THIS BECAUSE WE LIVE WITH IT. BUT OTHERS CANNOT. IT JUST DOES NOT MAKE SENSE, IT'S NOT LOGICAL. I WANT TO MAKE THIS PROCESS A REASONABLE, LOGICAL PROCESS.

CAVE: ((INTERPRETS))

((PHONE RINGS. [REDACTED] TALKS WITH SOMEONE IN PERSIAN BRIEFLY ABOUT CLEARING UP THE PROBLEMS WITH THE ACCOUNT NUMBER.))

CAVE: ((PORTION INAUDIBLE)). THEY'VE GOT EVERYTHING MOVING. ((PORTION INAUDIBLE)).

SECOND: I GUESS THAT'S GOOD NEWS. THIS, OF COURSE, WOULD BE ONE VERY IMPORTANT STEP IN CREATING THE KIND OF SITUATION WE WANT TO CREATE WHICH IS ONE OF MUTUAL TRUST. IF WE CANNOT DEVELOP IN THE NEXT FEW WEEKS A CONDITION WHERE WASHINGTON AND TEHRAN HAVE AT LEAST SOME TRUST IN ONE ANOTHER, WE'LL FAIL.

CAVE: ((INTERPRETS))

SECOND: TILL WE PREPARE TO GO FORWARD, TILL WE GET READY TO MOVE FORWARD, YOU NEED TO GET THE MONEY FROM EUROPE HERE SOME PLACE, SO YOU HAVE YOUR HANDS ON IT, SO IT CAN BE RELEASED WITHIN A DAY OF THE TIME THAT WE AGREE TO TAKE ANOTHER STEP. WE NEED TO HAVE THE MONEY ALL RIGHT HERE WITHOUT ANY STRINGS ON IT SO WE DON'T HAVE TO GO THROUGH THIS JOKE AGAIN.

CAVE: ((INTERPRETS))

SECOND: NOW, WHAT WE'RE CONCERNED WITH IS NOT THE MONEY ITSELF, BUT BACK HOME IN WASHINGTON PEOPLE SAY IF YOU ARE DEALING WITH THE IRANIAN GOVERNMENT, THEN THREE MILLION DOLLARS, ?FOUR MILLION?, IS NOTHING. YOU MUST NOT BE DEALING WITH THE GOVERNMENT.

CAVE: ((INTERPRETS))

SECOND: THE NEXT POINT IS RELATED TO THIS POINT. AND THIS HAS TO DO WITH

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CAVE: ((INTERPRETS))

SECOND: [REDACTED] IS A BIG SECURITY PROBLEM. YOU YOURSELF HAVE TOLD US THAT YOU WANT TO KEEP HIM IN ONE SMALL AREA.

CAVE: ((INTERPRETS))

SECOND: [REDACTED] IS A SECURITY PROBLEM OF BIG PROPORTIONS ON THE TELEPHONE. HE BELIEVES. FOR INSTANCE ON THE TELEPHONE. HE BELIEVES THAT HE HAS TO KNOW EVERYTHING. HE WAS VERY UPSET THAT WE DELIVERED THESE TOWS WITHOUT COORDINATING WITH HIM FIRST.

CAVE: ((INTERPRETS))

SECOND: HE TALKS ON THE TELEPHONE ALL THE TIME. [REDACTED] WATCHES HIM CAREFULLY. SAM CAN EXPLAIN MORE ON THIS.

CAVE: ((INTERPRETS))

SECOND: [REDACTED] TOLD ME SOME TIME AGO THAT HE DID NOT KNOW GHORBANIFAR. HE HAD HEARD OF HIM BUT DID NOT KNOW HIM. THAT IS FALSE. [REDACTED] HE HAS MET WITH GHORBANIFAR. WE KNOW THIS TO BE TRUE.

CAVE: ((INTERPRETS))

SECOND: WE DO NOT NEED ANOTHER GHORBANIFAR. WE WILL NOT ACCEPT ANOTHER GHORBANIFAR. *Incredible that Second only investigate against*

CAVE: ((INTERPRETS)) *Glorba*

SECOND: WE HAVE NO OBJECTION TO BUSINESSMEN MAKING MONEY. THAT'S GOOD. WE DON'T CARE ABOUT THAT. IT'S NOT IMPORTANT TO US. WHAT'S IMPORTANT TO US IS SECURITY.

CAVE: ((INTERPRETS))

SECOND: NOW, I HAVE A SUGGESTION, BECAUSE WE DO NOT WISH TO CREATE PROBLEM! WE WANT TO GET OUR HOSTAGES OUT. WE DON'T WANT A LOT OF NOISE, A LOT OF TALK. SO WE'LL TALK WITH [REDACTED] HERE FOR THE NEXT FEW DAYS. BUT WHEN WE GET PAST THIS NEXT STEP, WE WANT TO SEE [REDACTED] OFF TO ONE SIDE.

CAVE: ((INTERPRETS))

SECOND: I WOULD LIKE TO HEAR HIS OPINION NOW. I HAVE NOTHING MORE TO SAY ON THAT. HAS HE FINISHED WHAT HE WAS GOING TO SAY? PERHAPS WE COULD HEAR HIS OPINION.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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CAVE: ((INTERPRETS)) HE SAYS, ON THE QUESTION OF MONEY, HE SAYS, LOOK I JUST GOT INVOLVED IN THIS A FEW MONTHS AGO. AND I DON'T KNOW ((PORTION MISSED)) ABOUT THE FINANCIAL ((FEW WORDS MISSED)).

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C 316

HE SAYS, I DON'T KNOW ONE ((LARGE PORTION MISSED.)) TO TEHRAN, AND THEY ACCEPT THAT THE FACT THAT THIS HAS BEEN A PROBLEM, AND THEY'LL WORK IT OUT.

CAVE: ((INTERPRETS)) HE SAYS WHAT THEY'VE BEEN TRYING TO DO IS TO SET UP AN ACCOUNT WHICH WOULD BE UNDER [REDACTED] CONTROL AND TO HAVE 40 MILLION DOLLARS IN IT SO THAT WE CAN, WHEN THEY GO THROUGH WITH THE TRANSACTION?, WE CAN ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) HE SAYS ((THERE ARE)) SO MANY ((FEW WORDS MISSED)) THAT FROM THE TIME THEY START SOMETHING ((FEW WORDS MISSED)) ?IT TAKES? AT LEAST 8 OR 9 WORKING DAYS TO GET THROUGH ALL THE VARIOUS BANK ((FEW WORDS MISSED)) IN GETTING BACK TO THE BANK-E SADERAT.

SECOND: BUT THEY GIVE [REDACTED] MONEY, THEN THAT WILL RESOLVE ((FEW WORDS MISSED)). IT WON'T BE A PROBLEM.

CAVE: ((MISSED)).

CAVE: HE SAYS, "I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED] AND I WANT TO TALK TO YOU ABOUT THE PROBLEM OF [REDACTED], NOT ONLY [REDACTED] BUT IN THE CONTEXT OF ALL THE OTHER PIRANIANS?... THAT ARE INVOLVED IN THIS, BECAUSE ((PORTION MISSED)) A BAD SITUATION.

SECOND: IN OTHER WORDS, HE AGREES WITH ME.

CAVE: ((INTERPRETS)) ((INAUDIBLE))
((SEVERAL EXCHANGES INAUDIBLE)).

CAVE: ((INTERPRETS)) [REDACTED] HAS TOLD EVERYTHING ?HE KNOWS? TO [REDACTED]? ((PORTION MISSED)).

((QUALITY OF TAPE HAS DETERIORATED FURTHER. CAVE AND [REDACTED] ALMOST TOTALLY INAUDIBLE.))

CAVE: HE SAYS THAT ONE OF THE PROBLEMS THAT HE HAS WITH [REDACTED] IS THAT ((PORTION INAUDIBLE)) AND HE SAYS, "I HONESTLY DON'T KNOW HOW TO HANDLE IT."

SECOND: I HAVE A SOLUTION FOR THAT PROBLEM.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((INAUDIBLE))

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(END OF TAPE A137)

((TAPE A13))

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CAVE: ((INTERPRETS)) HE SAYS IF YOU'D ((TWO WORDS MISSED)) FROM THE TIME HE LEFT AND WENT BACK THE LAST TIME, HE SAYS HE HAD TEN CALLS FROM [REDACTED] ASKING WHERE HIS MONEY WAS.

SECOND: MY SUGGESTION IS THAT WE SIMPLY TAKE [REDACTED] OUT OF THIS LOOP. HE WORKS FOR US. WE GOT HIM ENGAGED TO START WITH BECAUSE WE NEEDED SOMEONE THAT HAD CONTACT WITH [REDACTED] AND, THROUGH [REDACTED] WITH THIS GROUP.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS, TRYING ONLY TO SET HIM ASIDE, THAT'S NOT REALLY THE MAJOR PROBLEM. THE PROBLEM IS THAT BECAUSE OF HIS BAD FINANCIAL SITUATION, ALL OF HIS PROPERTIES IN TEHRAN WERE SEQUESTERED? ((FEW WORDS MISSED)) SOMETHING'S GOT TO BE DONE TO HELP HIM OUT FINANCIALLY, AND HE IS NO POSITION TO DO IT BECAUSE ((FEW WORDS MISSED)) BACK HOME.

SECOND: THAT IS OUR RESPONSIBILITY; WE'LL TAKE CARE OF IT.

CAVE: ((INTERPRETS))

SECOND: IN THE FUTURE WE MAY BE ABLE TO FIND SOME WORK FOR HIM ON THE SIDE. MAYBE HE CAN LOOK AT SOME OF THE PEOPLE WE SELECT AS TECHNICIANS OR HELP WITH ADMINISTRATIVE THINGS. WE WILL NOT ((WORD MISSED)) HIM ON POLITICAL ((WORD MISSED)). BUT WE CAN PUT HIM ASIDE.

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS THAT YOU ARE ABSOLUTELY CORRECT WHEN YOU TALK ABOUT [REDACTED] BEING ((FEW WORDS MISSED)) AND BEFORE WE GOT INVOLVED WITH HIM, HE WAS INVOLVED IN THE [REDACTED] THING. WE DIDN'T KNOW THAT, AND YOU KNOW THAT THE [REDACTED] WERE VERY INTERESTED IN HIM BECAUSE OF THIS, WHICH MAY BE ALSO HOW HE GOT TO [REDACTED] GHORBANIFAR

SECOND: POSSIBLY BECAUSE GHORBANIFAR WAS VERY CLOSE TO ((WORD MISSED)).

CAVE: ((INTERPRETS)) THEY KNOW NOTHING ABOUT HIS CONTACTS WITH GHORBANIFAR. HE HAS NEVER SAID ANYTHING TO THEM ABOUT IT. AND HE SAYS IF WE'VE GOT ANY EVIDENCE, THEY WOULD BE VERY INTERESTED IN HAVING IT BECAUSE THEY WOULD PURSUE IT ((FEW WORDS MISSED)).

SECOND: I THINK THE EVIDENCE WE GOT, [REDACTED] DID WE NOT?

CAVE: ((INTERPRETS))

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((SEVERAL EXCHANGES MISSED))

CAVE: ((INTERPRETS)) HE SAYS ALBERT IS TRYING TO PUSH THIS TOO FAST, AND HE'S AFRAID THAT IT MIGHT BE ?DISASTROUS? ((FEW WORDS MISSED)).

SECOND: WHAT IS HE TRYING TO PUSH TOO FAST, THE RELATIONSHIP OR THE HOSTAGES?

CAVE: BASICALLY THE WHOLE RELATIONSHIP. HE'S TRYING TO MAKE IT GO TOO FAST.

SECOND: BECAUSE WE HAVE PLACED ALBERT UNDER PRESSURE ON THE HOSTAGES. BECAUSE WE THINK THAT IF WE GET AT THEM QUICKLY....

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS, I CAN'T DO THIS. HE SAYS, ALBERT IS ((WORD MISSED)) THE ADVISOR, BUT I HAVE TO ((WORD MISSED)) TEHRAN, COORDINATE THIS WHOLE THING WITH THE VARIOUS GOVERNMENT ORGANIZATIONS ((PORTION MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE))

CAVE: ((INTERPRETS)) ((PORTION MISSED)) HE SAYS ALBERT IS ((WORD MISSED)) ?PROPOSING? THINGS THAT HAVEN'T BEEN DISCUSSED WITH US. AND HE SAYS HE DOESN'T ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS)) ((UNINTELLIGIBLE)).

((EXCHANGE MISSED))

((PHONE RINGS)) SECOND TELLS PARTY "WE'LL BE FINISHED IN FIVE MINUTES. JUST WAIT RIGHT WHERE YOU ARE."

SECOND: NORTH WANTS TO TALK. LET'S FINISH THIS.

CAVE: ((INTERPRETS)) ((PORTION MISSED)). HE SAYS THIS THING HAS GOT TO BE DONE BY ((WORD MISSED)).

CAVE: ((INTERPRETS)) HE SAYS, "WELL WHY DIDN'T THEY TELL ME THIS?" AND HE SAID, "WELL, THEY CAN'T OFFICIALLY TELL YOU THESE THINGS. BUT ?I CAN BE? UNOFFICIAL ((FEW WORDS MISSED))."

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SECOND: THIS IS OUR FAULT, I SUPPOSE. AND IT'S A COMMUNICATIONS PROBLEM WHICH WE MUST SOLVE OR ALBERT, OR ANYBODY ELSE, WILL NOT BE ABLE TO DO OTHER THAN MAKE PHONE CALLS.

CAVE: ((INTERPRETS))

SECOND: IF [REDACTED] IS GOING TO BE THE EXECUTIVE IN CHARGE, AND IF WE CAN MEET WITH HIM FREQUENTLY HERE IN EUROPE, THAT WILL GO A LONG WAY TOWARDS SOLVING THE COMMUNICATIONS PROBLEM.

CAVE: ((INTERPRETS))

SECOND: AND, OF COURSE, THE SECURE COMMUNICATIONS...

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) WHAT HE'S SUGGESTING IS THAT BECAUSE THERE'S GOING TO BE AN AWFUL LOT OF TELEPHONING THE NEXT COUPLE OF DAYS, HE WOULD OF COURSE LIKE TO TAKE THAT THING BACK, BECAUSE THEY'VE ALREADY GOT? A COUPLE OF DEDICATED TELEPHONE LINES ((FEW WORDS MISSED)) THAT THEY CAN USE FOR ((FEW WORDS MISSED))

CAVE: ((INTERPRETS)) WHAT HE'S BRINGING UP IS HE SAYS THAT ANOTHER THIN THAT WOULD BE GOOD ((PORTION MISSED)) CHANGING THE SITUATION, BUT HE SAID, "WHAT WE REALIZE IS AFTER TALKING TO YOU IS THAT WE NEED TECHNICIANS. WE'VE GOT TO HAVE PEOPLE ((FEW WORDS MISSED))," AND HE SAID, "I'D LIKE TO MOVE AS FAST AS POSSIBLE ON THIS" ((FEW WORDS MISSED)) HE CONTACTED YOU. HE SAID, "THAT'S WHY I SUGGESTED THAT SOMETIME NEXT YEAR YOU LET A TECHNICIAN IN, IT WOULD BE GREAT.

SECOND: FINE. LET US ... WE WILL TALK TO OUR PEOPLE ABOUT THIS TODAY AND COME BACK TO THAT SUBJECT LATER TODAY.

CAVE: ((INTERPRETS))

SECOND: THE GOOD SOLUTION, OF COURSE, TO THIS PROBLEM IS FOR THE COMMUNICATIONS STATION TO BE SET UP ((FEW WORDS MISSED)).

CAVE: ((INTERPRETS))

SECOND: [REDACTED] ... THAT'S THE REAL SOLUTION.

CAVE: ((INTERPRETS)) OK, WHAT HE'S SAYING IS THAT "YEAH, THAT'S FINE. AND AS SOON AS WE GET THE TWO HOSTAGES OUT, WE'LL GET THE ?PHONE CALL?." THE PROBLEM WE'RE GOING TO HAVE WITHIN THE NEXT FEW DAYS ...

SECOND: I UNDERSTAND THAT, I AGREE WITH THAT.

CAVE: THEY DON'T WANT ... IT'S TOO MUCH. THEY WOULD LIKE TO HAVE A SECURE WAY OF TALKING TO US.

SECOND: LET'S HE AND I WORK ON THIS PROBLEM.

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CAVE: ((INTERPRETS))

SECORD: NOW, ALBERT TOLD ME AT THE BEGINNING--HE TOLD ALL OF US--HE DID NOT WANT TO BE INVOLVED IN THESE POLITICAL DISCUSSIONS. HE SAID, "I'M A BUSINESSMAN, I DON'T WANT TO BE INVOLVED IN POLITICAL DISCUSSIONS." BECAUSE OF HIS LANGUAGE CAPABILITY AND BECAUSE OF HIS ASSOCIATION WITH ME--SAM CAN'T BE EVERYWHERE ALL THE TIME--WE HAVE HAD TO USE ALBERT. HE HAS NOT WANTED TO BE IN THIS ROLE, AND HE'S NOT COMFORTABLE IN THIS ROLE.

CAVE: ((INTERPRETS))

SECORD: AND HE WANTS TO BE FINISHED. NOW WE WILL GET SOME MORE PROFESSIONALS INVOLVED IN THIS AS WE GET THIS PROCESS ORGANIZED. WE'RE SO SHORT OF PEOPLE RIGHT NOW; IT'S TERRIBLE.

CAVE: ((INTERPRETS))

SECORD: AS SOON AS THE PRESIDENT TELLS US TO MOVE AHEAD, I'M SURE THAT SAM AND I CAN GET THE RIGHT PEOPLE INVOLVED IN THIS.

CAVE: ((INTERPRETS))

SECORD: AND NOW ?NORTH? NEEDS TO TALK ABOUT BEIRUT AND DAMASCUS. I'M NOT SURE ((FEW WORDS MISSED)).
((PHONE RINGS)) SECORD SAYS TO PARTY ON PHONE, "OKAY, I THINK WE'RE ON THE RIGHT ROAD NOW. BE RIGHT DOWN."

CAVE: ((INTERPRETS)) HE SAYS THAT ALBERT REALLY DOESN'T UNDERSTAND THE PROBLEMS ((FEW WORDS)) BACK IN TEHRAN. AND THAT'S PART OF THE PROBLEM.

(KNOCK ON THE DOOR)

?NORTH? ARE YOU FINISHED?

SECORD: JUST TWO MINUTES.

?NORTH? TWO MINUTES?

SECORD: YEAP ((THEN, SPEAKING TO [REDACTED]) NOW, WE HAVE NOT SOLVED THAT PROBLEM. AND WE CAN COME BACK TO THIS LATER, BUT WE AGREE IT'S A PROBLEM. IS THAT CORRECT?

CAVE: ((INTERPRETS))

SECORD: SO WE AGREE? NOW NORTH WANTS TO TALK TO YOU ABOUT THE HOSTAGES AND HOW WE COORDINATE--YOUR GOVERNMENT AND OUR GOVERNMENT. I THINK THIS IS VERY IMPORTANT; I WOULD LIKE TO GO GET HIM. LET ME GO GET HIM.

CAVE: ((INTERPRETS))

(CAVE AND [REDACTED] CHAT IN PERSIAN. INAUDIBLE. NORTH ARRIVES

NORTH: GOOD MORNING.

CAVE: I'VE GOT A COUPLE OF THINGS TO SAY TO YOU.

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SECOND: BEFORE WE START?

CAVE: YEAR. UNDER NO CIRCUMSTANCES DO THEY WANT ANY CREDIT FOR RELEASE THE HOSTAGES.

NORTH: NOTHING SAID ABOUT IRAN.

CAVE: NOTHING SAID ABOUT IRAN. THEY THINK THE BEST THING TO DO IS TURN THEM OVER TO THE SYRIANS. LET THEM RELEASE THEM, AND THEN SAY SOMETHING ABOUT HUMANITARIAN ((FEW WORDS MISSED)). CONSIDERING WHAT HAS HAPPENED ABOUT THE MCFARLANE VISIT, IF PRESIDENT REAGAN CAME OUT WITH A STATEMENT THANKING IRAN, IRAN WOULD CONTRIBUTE TO THE ((WORD MISSED)) CONDITIONS CREATED BY BRINGING OUT IN THE OPE THE MCFARLANE VISIT. ((FEW WORDS MISSED)).

SECOND: BUT IF THE PRESIDENT SIMPLY SAYS HE WISHES TO THANK THOSE FRIENDLY GOVERNMENTS WHO HAVE CONTRIBUTED TO THIS ...

CAVE: HUMANITARIAN ((WORD MISSED)).

SECOND: JUST A GENERAL STATEMENT WITHOUT IDENTIFYING ((FEW WORDS MISSED))

CAVE: ((INTERPRETS))

SECOND: I THINK WE SHOULD JUST HOLD IT TO THIS GROUP HERE UNTIL WE GET THIS DOWN.

((PORTION INAUDIBLE.))

SECOND: ALBERT, WHAT WE'D LIKE TO DO IS JUST LET THE THREE OF US DEAL WITH THEM ON HOW WE'RE GOING TO COORDINATE THIS BEIRUT-DAMASCUS THING.

((MUTTERING IN THE BACKGROUND: ALBERT LEAVES THE ROOM.))

CAVE: WHILE YOU WERE OUT, HE HAD A CALL FROM TEHRAN ABOUT THE ?HOSTAGES- AND THEY'VE BEEN ?TRYING TO? RELEASE ((ONE OR TWO WORDS MISSED)) BY SUNDAY AFTERNOON.

?NORTH?: ((WORD MISSED))

CAVE: DAMASCUS. THE OTHER THING HE'S SAYING IS THAT BECAUSE OF THE FACT THAT THEY'RE GOING TO HAVE TO BE ON THE TELEPHONE COORDINATING ?AL THIS?.. AND THAT POSSIBLY ?THEY? WON'T HAVE A SECURE VOICE SYSTEM. ((PORTION MISSED)).

NORTH: MY INSTRUCTIONS ARE NOT TO TURN IT OVER UNTIL WE'VE GOT...

CAVE: WELL, WE DON'T HAVE ALL THE PARTS TO IT

NORTH: NO. WE GOT TWO SITTING UP IN..

CAVE: I DON'T GIVE THEM THE.. WE DON'T HAVE THE ((FEW WORDS MISSED)).

NORTH: IT'S IN GENEVA. WELL THEY CAN GET 'EM. ALL YOU HAVE TO DO IS, JUST ENTER THE CODES, BUT I HAVE TO GET THEM OUT OF GENEVA.

SECOND: WELL, WE'D LIKE TO HAVE A CAUCUS WITH THE THREE OF US ON THIS

CAVE: *CHUCKLES* EXPLAINS TO [REDACTED] THAT THEY MAY NOT BE ABLE TO GIVE THEM...

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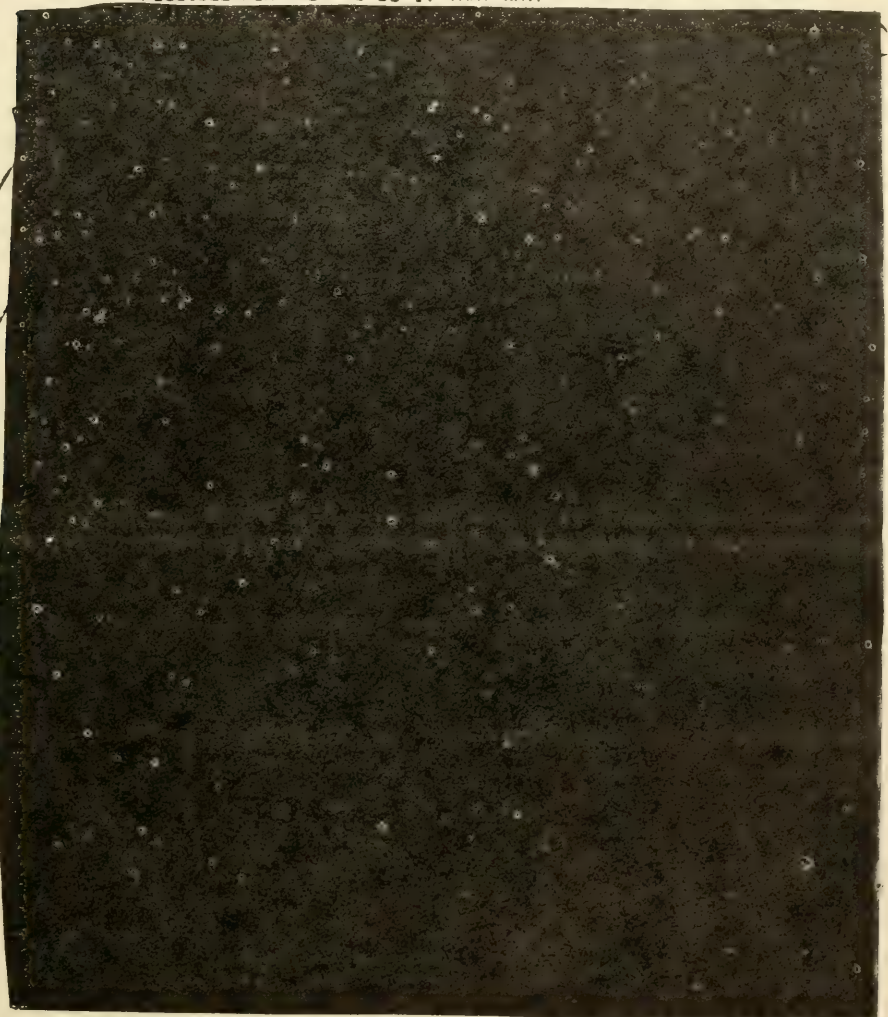
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PHONE))

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CAVE:

((INTERPRETS)) WHAT HE WANTS TO KNOW NOW IS--EXPLAIN TO HIM HOW YOU WOULD LIKE TO HAVE THE HOSTAGES HANDLED, AND HE'LL SEE IF IT'S POSSIBLE FOR THEM TO DO IT THAT WAY.

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2 pages

C-323 to C-324

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TOTAL

14-269

See Hearing Exhibit OLN-201

14-270

See Hearing Exhibit OLN-316

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TAPE A3

C 292

(MEETING AT MAINZ, W. GERMANY, 29-30 OCTOBER 1986)

HAKIM: ((INTERPRETS IN PERSIAN)) AND IF THEY ARE NOT SUCCESSFUL, THEY WILL LEAVE THIS CHANNEL; THEY WILL PURSUE ((WORD MISSED)) CHANNEL. IF THEY DON'T GIVE THEM A ((POSITIVE)) REPORT BY SUNDAY, THEY WILL ABANDON THIS ROUTE.

DAVE: ((IN PERSIAN)) I'D LIKE TO ADD SOMETHING. SINCE ((FEW WORDS MISSED)) FOR SEVERAL MONTHS, WE KNOW THAT IF WE DO NOT COMPLETE THIS, ALL THE ((FEW WORDS MISSED))

AVE: ((IN ENGLISH)) I TOLD THEM THAT ((FEW WORDS MISSED)) IF WE ARE NOT SUCCESSFUL, AND THIS CHANNEL IS ((FEW WORDS MISSED)), THEN ALL THIS WORK WE'VE DONE

NORTH: AND IT WILL TAKE A YEAR

HAKIM: ((INTERPRETS IN PERSIAN)) HE WAS EXPLAINING THAT IF WE ARE NOT SUCCESSFUL, NOT ONLY WILL THIS GROUP'S WORK COME TO AN END AND ((FEW WORDS MISSED)), BUT GROUPS IN THE FUTURE WHICH WANT TO MAKE CONTACT WILL USE THIS AS AN EXAMPLE--THAT IRANIANS ARE NOT RELIABLE?. THIS WILL BE STUDIED.

& HAKIM:

AVE: ((IN PERSIAN--UNINTELLIGIBLE))

RECORD: WHAT NORTH IS GETTING AT IS WE ARE GOING DOWN IN THE STEPS NOW--THE NINE POINTS. WE'RE GOING TO VERY QUICKLY. WE EXPECT THEM TO MOVE VERY QUICKLY SO THAT WE CAN MOVE TO THE NEXT STEP, AND THE NEXT STEP, AND THE NEXT STEP AND THERE WON'T BE ANY COMPOSITION.

HAKIM: ((INTERPRETS))

Partially Declassified Pursuant to E.O. 12258
by B. Seger, National Security Council

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HAKIM: ((INTERPRETS)) IF YOU DON'T HAVE ANY MORE ISSUES ON YOUR SIDE, HE LIKES TO LET ME EXPLAIN WHAT'S HAPPENING ON THEIR SIDE

NORTH: WELL, I DO WANT TO HEAR THAT. LET ME JUST MAKE ONE POINT ABOUT THAT. HE ((HAKIM)) WORKS FOR ME--YOU ((DAVE)) TRANSLATE THIS--HE WORKS FOR ME AS A CONSULTANT. I DON'T KNOW THE FARSI WORD FOR CONSULTANT, BUT AS A PART-TIME CONTRACT EMPLOYEE.

AVE: ((INTERPRETS))

NORTH: HE HAS BEEN THIS FOR FOUR, FIVE YEARS. FOR ME SINCE I HAVE BEEN AT THE WHITE HOUSE--IN THE PRESIDENT'S OFFICE. HE DOES TRANSLATIONS. THE VOA BROADCASTS IN FARSI, WHICH YOU ASKED FOR, AND WE GAVE. HE TRANSLATED THOSE FROM MY ENGLISH TO FARSI

AVE: ((INTERPRETS))

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SECORD: AND IF WE FAIL, WE'RE GOING TO SHOOT HIM, BECAUSE SOMEBODY HAS TO GO. LIKE IN IRAN, SOMEBODY HAS TO BE SHOT.

HAKIM: ((INTERPRETS))

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NORTH: I DON'T BELIEVE IT THAT ((WORD MISSED)) SAID THAT.

CAVE: ((IN PERSIAN)) MR. NORTH AND I ARE LUCKY. THEY WON'T SHOOT US, WE'LL JUST GO TO JAIL.

CAVE: ((INTERPRETS IN ENGLISH))

NORTH: FIRED.

SECORD: THE PRESIDENT MAY SHOOT NORTH.

HAKIM: OK, HE WANTS TO EXPLAIN HIS CASE

HAKIM: ((INTERPRETS)) I HAVE ADDRESSED THIS ISSUE EARLIER THAT? HE'S BRINGING UP. HE WANTS TO CLARIFY HIS POSITION THAT PEOPLE BACK HOME BELIEVE THAT A LOT OF TIMES HE TALKS ABOUT THINGS WHICH HE SHOULD NOT TALK ABOUT. THEREFORE, IT IS VERY IMPORTANT THAT WHATEVER HE TELLS US SHOULD NOT GET INTO THE OFFICIAL CHANNELS AND GET BACK TO THEM? BECAUSE THAT WOULD MAKE LIFE MISERABLE FOR HIM AND DIFFICULT FOR HIM. HE HAS NO FINANCIAL INTEREST ((FEW WORDS MISSED)) ONE OBJECTIVE IS TO MAKE SURE THAT THIS THING IS GOING TO ((FEW WORDS MISSED)). HE HAS FULL TRUST IN THIS GROUP ESPECIALLY IN GENERAL SECORD. HE HAS BEEN VERY TRUTHFUL WITH HIM, VERY HELPFUL, AND HE WANTS TO SEE THAT SOMETHING GOOD IS GOING TO COME OUT OF THIS. THEREFORE, PLEASE, WHATEVER HE DISCUSSES SHOULD NOT LEAVE THIS ROOM SO HE WILL FEEL COMFORTABLE TO BE ABLE TO GET BACK TO US ((TRAILS OFF)). I DISCUSSED THAT EARLIER THIS WEEK ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) HE SAYS YOU HAVE TO UNDERSTAND THAT IRAN JUST FINISHED ((FEW WORDS MISSED)) AND SETTING IMAM KHOMEINI ASIDE, THE COUNTRY IS MANAGED BY SHAREHOLDING ((WORD MISSED)) AND ONCE YOU PUT KHOMEINI ASIDE, THERE ARE A NUMBER OF PEOPLE INVOLVED.

AND HAKIM:

HAKIM: ((INTERPRETS)) THERE ARE THREE BASIC GROUPS OF THIS SHAREHOLDING COMPANY. THEY ARE MINOR SHAREHOLDERS. ONE IS THE RADICALS, AND THEY ARE ((WORD MISSED)) RADICAL AND ((WORD MISSED)) RADICAL WITHIN THE SAME. THEN THE THIRD GROUP IS THE RIGHT-WING AND THEN THERE'S TWO ((FEW WORDS MISSED)) WHO IS HEADED BY HASHEMI-RAFSANJANI, AND NOT ONLY DO THEY FOLLOW THEIR OWN LINE, BUT THEY ARE ALSO THE CONNECTION IN BETWEEN THE FIRST AND THE THIRD GROUP.

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((SECORD MAKES A PHONE CALL, BLOCKING OUT MOST OF SEVERAL MINUTES OF DISCUSSION BETWEEN THE U.S. AND IRANIAN TEAMS))

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HAKIM: ((INTERPRETS)) HE WANTS YOU TO UNDERSTAND THAT THE PRINCIPLE ... THESE THREE GROUPS HAVE THE SAME OBJECTIVE AND THEY ALL AGREE IN THE SAME WAY: WHEN IT COMES TO ACTUAL EXECUTION, THEY HAVE DIFFERENT APPROACHES. AND THEY ARE NOT PURELY POLITICAL ((FEW WORDS MISSED)) RELIGIOUS ((FEW WORDS MISSED)).

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HAKIM: ((INTERPRETS)) AS YOU PROBABLY KNOW, IMAM KHOMEINI HAS ISSUED DECREES ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) IN PUBLIC OPINION HE ((RAFSANJANI)) IS CONSIDERED THE SECOND MAN, SECOND IN COMMAND, BASICALLY BECAUSE OF THESE ((WORD MISSED)).

HAKIM: ((INTERPRETS)) WHEN [REDACTED] RAISED THE ISSUE OF ESTABLISHING RELATIONS WITH THE U.S. HE WAS IN FAVOR OF IT, BUT FOR HIS OWN POLITICS HE DECIDED TO GET ALL THE GROUPS INVOLVED AND GIVE THEM A ROLE TO PLAY.

WORTH: WAIT A MINUTE, WHO'S 'HE'?

HAKIM: RAFSANJANI.

HAKIM: ((INTERPRETS)) HE WANTS YOU TO KNOW WHO [REDACTED] IS. [REDACTED] WORKS FOR [REDACTED] [REDACTED] BELONGS TO THE RADICAL GROUP, THE RADICAL GROUP THAT THEY WERE THE UNIVERSITY STUDENTS WHO TOOK THE HOSTAGES IN IRAN. THAT'S THAT GROUP.

[REDACTED] AND HAKIM:

HAKIM: ((INTERPRETS)) WHEN [REDACTED] CONTACTED [REDACTED] IN THIS APPROACH TO ESTABLISH A RELATIONSHIP WITH THE U.S., HE, [REDACTED] ASKED FOR REPRESENTATIVES OF THE THREE GROUPS TO BE PRESENT AND PARTICIPATE IN THIS ACTION, AND ((TWO WORDS MISSED)) SUPPORT. IN OTHER WORDS THIS IDEA OF HAVING ALL GROUPS PARTICIPATE IN THIS IS NOT NEW, IT DATED BACK A LONG TIME AGO, AND STILL HE'S GOING TO EXPLAIN MORE AND STILL STICKING TO IT.

HAKIM: ((INTERPRETS)) THIS ISSUE AS YOU CAN VERY WELL UNDERSTAND IS VERY SENSITIVE. [REDACTED]

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HAKIM: ((INTERPRETS)) THIS APPROACH OF [REDACTED] WAS A DOUBLE-EDGED SWORD--AND POSITIVE AND NEGATIVE POINTS ... THE POSITIVE POINT ... BEING THAT IF IT WOULD BE A FAILURE AND ALL PARTIES ARE INVOLVED SO THERE WOULD NOT BE AN INTERNAL WAR, AND THE NEGATIVE PART IS THAT BECAUSE DIFFERENT VIEWS AND OPINIONS ARE UNDER THE SAME ROOF.

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IT'S VERY DIFFICULT TO MANAGE.

SOUNDS LIKE HOME.

C 295

((INTERPRETS IN PERSIAN. LAUGHTER.))

THE DIFFERENCE IS, IF THIS ONE FAILS, ONLY I GET FIRED. ((LAUGHS))

((INTERPRETS IN PERSIAN))

((INTERPRETS)) HE DOESN'T WANT TO GET INTO DISCUSSING THIS, BUT ALL THESE EFFORTS LED TO THE VISIT OF MCFARLANE, WHICH WAS CONSIDERED A TOTAL FAILURE, AND THE REASON FOR THAT--YOU CAN ANALYZE IT YOURSELF--((FEW WORDS MISSED)) YOU CAN CONSIDER ((FEW WORDS MISSED)) AND THEIR ANALYSIS SHOWS OPPOSITION IN THE U.S.--ALL THESE ISSUES CAUSED IT TO FAIL.

HAKIM:

((INTERPRETS)) [REDACTED] HAD TOLD HIM THAT THE ISRAELIS ARE PARTICIPATING AND HE SAID THAT HE DIDN'T KNOW FROM THE BEGINNING AND JUST FOUND OUT, AND THAT CREATED A LOT OF...

((INTERPRETS)) A COMBINATION OF MANY THINGS THAT CAUSED THAT ((FEW WORDS MISSED)). I ASKED HIM HOW DID YOU KNOW ABOUT THE ISRAELIS? [REDACTED] BROUGHT IT...

BUT [REDACTED] ONLY RECENTLY BROUGHT IT

((INTERPRETS FOR [REDACTED]))

((INTERPRETS)) AFTER THE CAT WAS OUT OF THE BAG, I JUST FOUND THAT HE WAS TRYING TO? ((FEW WORDS MISSED)) I JUST FOUND OUT IF ((FEW WORDS MISSED)).

((INTERPRETS)) [REDACTED] IS PORTRAYING THAT GHORBANIFAR HAS A HELL OF A LOT OF INFLUENCE WITH US ((THE AMERICANS)), STILL, AND STILL [REDACTED] IS PUSHING FOR GHORBANIFAR, SAYING THAT WE SHOULD KEEP GHORBANIFAR IN THIS BECAUSE HE IS A SECURITY VALVE FOR US. IF SOMETHING SHOULD GO WRONG WITH THIS CHANNEL, WE CAN ALWAYS TURN GHORBANIFAR ON AND HE CAN FIX THINGS.

((INTERPRETS)) HE SAYS SINCERELY [REDACTED] BELIEVES--IT'S HIS HONEST OPINION, IT'S NOT A BIASED OPINION--THAT GHORBANIFAR CAN DO, UNOFFICIALLY, THINGS THAT HE CANNOT DO OFFICIALLY.

((HAKIM SAYS THAT ONE OF THE IRANIANS IS COLD. DOOR IS SHUT, WINDOW CLOSED.))

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HAKIM: ((INTERPRETS)) HE HAS TOLD [REDACTED] THAT 'YOU ARE WRONG.' AND HE GOES AND SEES THE AMERICANS. HE GOES WITH YOUR NAME AND AT YOUR STRENGTH—HE HIMSELF HAS NO STRENGTH WITH AMERICANS--((FEW WORDS MISSED)) BUT GHORBANIFAR HAS A LOT OF INFLUENCE WITH AMERICANS.

NORTH: HE HAS NO INFLUENCE WITH AMERICANS. I MEAN WE'RE THE AMERICANS TO BE TALKED TO.

HAKIM: ((INTERPRETS))

[REDACTED]

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HAKIM: ((INTERPRETS)) HE IS USING GHORBANIFAR AS THE ?QUALITY? PERSON. ((FEW WORDS MISSED)) THE FACT THAT GHORBANIFAR WAS THE ONE WHO PLANNED [REDACTED]

SECOND: ((TO NORTH)) [REDACTED]

NORTH: HMM.

HAKIM: ((CONTINUES INTERPRETING)) AND HE ALSO PROMISED THE IRANIANS THAT HE WOULD CAUSE [REDACTED] NOT TO MAKE ONE MOVE, AND INDEED THEY DID NOT MAKE ONE MOVE

[REDACTED] HAKIM:

HAKIM: ((INTERPRETS)) [REDACTED] SHOWS THIS AS A POINT OF STRENGTH OF GHORBANIFAR IN THE WESTERN WORLD. HE PLANNED [REDACTED] HE KEPT [REDACTED] OUT, AND THEY WERE THERE ((FEW WORDS MISSED)).

HAKIM: ((INTERPRETS)) HE SAYS THAT HE WAS SO CONVINCING THAT HE STARTED TO BELIEVE HIM THAT HE REALLY IS SUCH A POWERFUL MAN.

NORTH: I REGARD HIS POWER TO BE PURELY NEGATIVE.

HAKIM: ((INTERPRETS))

NORTH: IN THIS PARTICULAR RELATIONSHIP BETWEEN THE U.S. AND IRAN, HE CAN DO NOTHING TO HELP IT ALONG.

HAKIM: ((INTERPRETS))

NORTH: BUT HE HAS THE POWER TO DO MUCH DAMAGE TO IT BECAUSE OF HIS KNOWLEDGE.

HAKIM: ((INTERPRETS))

NORTH: WE HAVE ALREADY SEEN EVIDENCE OF THAT, AND THAT HE BELIEVES-- GHORBANIFAR BELIEVES HE HAS NOT BEEN PAID THE FULL AMOUNT BY IRAN AND HE IS THREATENING TO MAKE PUBLIC THE EARLIER TRANSACTIONS.

HAKIM: ((INTERPRETS))

((PORTION OF CONVERSATION UNINTELLIGIBLE.))

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HAKIM: ((INTERPRETS)) I HAVE NOT FORGOTTEN THE STATEMENT YOU MADE, BUT THIS IS VERY IMPORTANT. MR. HASHEMI-RAFSANJANI HAS PROPOSED AND THEY BELIEVE THIS IS A GOOD THING TOO AND THAT THE ((PORTION UNINTELLIGIBLE)) A COUPLE OF MONTHS AND SEE WHAT HAPPENS. THE REASON THEY HAVE NOT DONE THIS THING IS BASED ON WHAT HE TOLD ME THAT HE HAS DONE--((FEW WORDS MISSED)) DOCUMENTED ((FEW WORDS MISSED)) UNIVERSITY PROFESSOR AND SO FORTH, THAT WE ARE CONCERNED ABOUT THIS. HE SAYS THEY ARE OF THE OPINION, WHETHER THEY ((ONE WORD MISSED)) OR NOT, HE IS GOING TO DO IT ANYWAY.

SCAVE? IF THEY COULD BRING HIM BACK? A COUPLE OF MONTHS, IT WOULD BE GOOD.

NORTH: HE HAS ALREADY GIVEN THE INFORMATION TO ANOTHER MAN IN THE U.S. IF GHORBA DISAPPEARS.....

HAKIM: HE'S NOT TALKING ABOUT DISAPPEARING. HE'S GOING TO BE WORKING. HE'S GOING TO BE KEPT THERE AND THEN HE'S GOING TO BE WORKING AND ((ONE WORD MISSED.)) HE'S GOING TO BE CALLING, TALKING, DOING THE WHOLE THING

NORTH: THAT'S FINE. AND IF GHORBA...

HAKIM: THEY'RE NOT TALKING ABOUT...

NORTH: ...INJURING HIM.

HAKIM: YEAH.

NORTH: WHAT I AM TALKING ABOUT IS THE PERCEPTION, RIGHT OR WRONG, THAT GHORBA OWES SEVERAL OTHER PEOPLE MILLIONS OF DOLLARS THAT'S WHY THEY'RE GOING TO TALK. IF GHORBA IS SEEN BY THEM TO HAVE DISAPPEARED, WE'RE LIABLE TO HAVE AN EVEN BIGGER PROBLEM

SECOND: WHY DON'T THEY PAY THEIR BILL?

HAKIM: DO YOU WANT ME TO ASK HIM, OR DO YOU WANT ME TO TELL YOU I KNOW

SECOND: CAN WE ASK HIM WHY THEY DON'T PAY THE BILL?

HAKIM: YES. I THINK SO. LET ME TELL HIM WHAT HE SAID AND THEN. ((FEW WORDS MISSED.)) CORRECT. ((FEW WORDS)) OWE HIM 10 MILLION DOLLARS BUT IT IS NOT...

NORTH: ((LAUGHS)) GHORBA'S GOT MORE CREDIBILITY THAN HE EVER DESERVED

SECOND: NO, HE SAYS 15.

HAKIM: NO. IT'S 10. THEN HE HAS TO DELIVER FREE THE 1000 FREE TONS IT'S NOT ALL THAT

SECOND: LET'S SAY? HE LIED.

HAKIM: GENTLEMEN, LET ME TRANSLATE. ((GOES INTO PERSIAN))

SECOND: WHAT THE HELL DOES HE SAY?

HAKIM: HE IS SAYING THAT [REDACTED] HAS GOT THE MONEY...

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HAKIM: ((INTERPRETS)) [REDACTED] AFTER HE LEARNED WHAT THE REAL PRICE IS, HE KEPT THE MONEY. HE SAID BECAUSE ((FEW WORDS MISSED))

HAKIM: THE HAWK SPARE PARTS, WHICH THEY HAD CHARGED THEM 8 MILLION DOLLARS FOR THE 2.7 ((MILLION)). THEY CHARGED THE IRANIANS EIGHT.

SECOND: NO, NO, NO, NO, NO. THIS IS THE SECOND EXAMPLE.

CAVE: THE SECOND. IT IS NOT THE FIRST SHIPMENT. HE HAD TOLD THEM IT WAS 8 MILLION. THEN WHEN WE GOT THE BILL... WHEN WE GAVE THEM THE BILL FOR WHAT IT WAS... ((FEW WORDS)) 2.7, GHORBANIFAR HAD ALREADY TOLD THEM IT WOULD COST THEM 8 MILLION.

SECOND: SO, HE'S A BUSINESSMAN.

HAKIM: ((INTERPRETS IN PERSIAN FOR [REDACTED] THEN SAYS)) I HAVE TOLD HIM THAT OUR OPINION IS, AND WE HAVE DISCUSSED IT IN THE PAST, THAT HE SHOULD BE PAID.....

SECOND: HE SHOULD BE PAID AT LEAST SOMETHING RIGHT AWAY...

CAVE: TO KEEP HIM QUIET.

NORTH: WELL, QUITE FRANKLY, I DON'T GIVE A SHIT IF HE GETS PAID. WHAT I'M MORE INTERESTED IN IS THAT THE PEOPLE TO WHOM HE OWES MONEY GET PAID.

SECOND: DO WE KNOW HOW MUCH THAT IS?

NORTH: WELL, I THINK WE DO KNOW.

SECOND: HOW MUCH IS THAT?

CAVE: IT'S ABOUT... WELL, WE DON'T KNOW WHAT HE OWES, BUT FOR THE LAST DEAL... FOR THE SHIPMENT OF THE ORIGINAL PARTS, HE OWES THEM 10 MILLION.

HAKIM: THAT'S ALL THEY ((THE IRANIANS)) OWE HIM. THAT'S ALL THE MONEY THEY OWE GHORBANIFAR. TEN MILLION. I HAVE HEARD THIS...

NORTH: SEE, THAT WOULD MAKE SENSE BECAUSE GHORBANIFAR WENT OUT AND BORROWED 15 MILLION DOLLARS. HE PAID OFF THE ONE GUY--A EUROPEAN-- AND HE STILL OWES THE CANADIANS TEN. AND THAT WOULD MAKE SENSE.

HAKIM: ((INTERPRETS))

SECOND: ARE YOU SAYING THEY SHOULD PAY US AND WE PAY THE BANK?

NORTH: I DON'T WANT TO GET IN THE MIDDLE OF THIS ((FEW WORDS)) THEY DIRECTLY GET TOLD? ROY TO SHOW UP SOMEWHERE, AND GET US THE HELL OUT OF IT.

((END OF TAPE A3))

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((TAPE A4))

HAKIM: ((INTERPRETS)) UNTIL A FEW DAYS AGO, BASED ON PREVIOUS ARRANGEMENTS, [REDACTED] HAD PROMISED THEM THAT HE WOULD APPROACH THIS IN A VERY PROPER WAY AND HANDLE IT VERY CORRECTLY. AND THEY HAD DECIDED TO KEEP THIS AWAY, SECRET FROM MOST OF THE PEOPLE, AND HE PERSONALLY COORDINATED WITH A NUMBER OF THE PEOPLE, BUT HE DOESN'T BELIEVE IT'S THE RIGHT TIME FOR HIM TO RELEASE THEIR NAMES. AND BROUGHT IT TO THE POINT THAT ((FEW WORDS MISSED)) AND ONLY TWO DAYS AGO THAT [REDACTED] [REDACTED] SAID THAT WE THINK IRAN HAS REACHED THE STAGE THAT WE SHOULD RETURN? TO OTHER PEOPLE AS WELL.

XAXIM: ((INTERPRETS)) IT GOT TO THE POINT THAT IT WAS DIFFICULT TO KEEP
IT SECRET BECAUSE, FOR INSTANCE, [REDACTED]
[REDACTED] COULD HAVE FOUND OUT ABOUT THEIR TRYING TO
GET 10 MILLION DOLLARS BUT ((FEW WORDS MISSED)). THEY HAVE GOTTEN
8 MILLION OUT SO FAR. 4 AND 7 ((FEW WORDS MISSED)). THEY COULD
NOT HAVE KEPT THAT A SECRET, SO THEY DECIDED TO BRING EVERYBODY ELSE
IN.

YAKIM: ((INTERPRETS)) HIS NAME- [REDACTED] HIS GOING TO BE GIVEN TO THE DIFFERENT GROUPS. THEY HAVE GIVEN [REDACTED] TO THE DIFFERENT GROUPS THAT HE HAS ((FEW WORDS)) AND THE REASON IS TO ENABLE HIM TO GO FROM ONE GROUP TO THE OTHER AND BE INVOLVED IN THE KIND OF WORK THAT HE CAN DO. NOW, WITH WHAT HAS HAPPENED, WITH THE TONS COMING OUT, THEY ARE GOING TO PRICE IT, BY THE WAY, AT 8 THOUSAND EACH.

COIN. IRAN. WHICH ARE THERE NOW.

AKIM: YEAH. THE MILITARY INTELLIGENCE THAT THEY GOT, AND THAT IN ITSELF IS A REVOLUTIONARY ACTION! AND EVERYBODY'S GOING TO GO CRAZY AND BERSERK OVER THIS, BECAUSE IT IS SUCH AN IMPORTANT EVENT IN THIS TYPE OF PICTURE.

4-114: I STOPPED, YOU KNOW, I'M TRYING TO TRANSLATE

ARMY ((INTERPRETS)). HE IS EXPLAINING WHY THE ARRIVAL OF THE TONS--AND THE MILITARY INFORMATION IS COMPLETELY BACKED UP--FIRST: ONE [REDACTED] AND HIS GROUP-- [REDACTED]--ARE GOING TO BE TOTALLY ELIMINATED

AFIM: ((INTERPRETS)) TWO: THIS WILL ESTABLISH THE CREDIBILITY OF THIS CHANNEL AS THE ONLY CHANNEL, AS THEY HAVE BEEN CLAIMING, WHO SHOULD BE CONTACTED

THE SECRETED MESSAGES

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AKIM: ((INTERPRETS)) HE'S GIVING AN EXAMPLE. HE RAISED THE ISSUE OF THE MILITARY INTELLIGENCE, AND THE PEOPLE DID NOT BELIEVE IT, AND HE CONFIRMED THAT, YES INDEED, THEY BROUGHT IT, AND THEY CANNOT PUT IN WRITING THAT IT'S IMPORTANT TO ((WORD MISSING)) THIS THING OUT, AND ALL THESE ISSUES STARTED THEM TO THINK THAT IT IS ((FEW WORDS)) GROUP.

AKIM: ((INTERPRETS)): HE'S COMING BACK TO THE DISCUSSION THAT THEY STARTED TO DISCUSS AT THE BEGINNING. HE CAN TAKE BACK THE REAL MOTIVATION BEHIND OUR APPROACHING THEM AND REMOVE THE DOUBTS AND DIFFERENT THOUGHTS YOU PEOPLE HAVE, THINGS THAT ((FEW WORDS MISSING)) QUICKLY. THAT IS, HE COULD GO AND SAY THAT, REALLY, THE MAIN THING THAT WE ARE AFTER IS THE ISSUE OF THE HOSTAGES. TO... THEY'LL GET THINGS GOING. AT THIS MINUTE, THEY ARE CONFUSED. THEY DON'T KNOW WHAT WE WANT, AND THEY BELIEVE THAT THERE ARE FOUR OR FIVE OTHER CHANNELS, AND THIS IS ONE OF THEM, AND THERE IS A SCHEME, BUT THEY ARE NOT QUITE SURE WHAT IS HAPPENING.

AKIM: ((INTERPRETS)): HE'S GOING BACK TO THE MAIN DISCUSSION. THE HIGHLY RADICAL IS MONTAZERI... HIS GROUP. IN REFERENCE TO HIS...

AKIM: ((INTERPRETS)): WHAT [REDACTED] IS DOING HERE... I THINK I'M BEGINNING TO UNDERSTAND WHAT HE'S DOING. HE'S TRYING TO EXPLAIN WHAT HAS HAPPENED SINCE HE LEFT US. THERE ARE MANY DIFFERENT PEOPLE, THEY ARE DOING MANY DIFFERENT THINGS, AND HE'S COME DOWN... HE'S COMING TO THE HEART OF IT NOW... HE WAS CONCERNED THAT THE HIGHLY RADICAL PEOPLE, I.E., MONTAZERI'S GROUP, ((INCIDENTAL DISCUSSION)) HE HAD THE FEAR (THAT) BEFORE THEY GET TO SOME PLACE SCID, AND IF THE RADICALS, MONTAZERI'S GROUP, WOULD FIND OUT, HE COULD NOT PREDICT WHAT WOULD HAPPEN THEN. ((THE PERSIANS APPARENTLY LEAVE THE ROOM AT THIS TIME))

ORTH: BUT JUST A LITTLE WHILE AGO HE SAID THAT [REDACTED] BROUGHT EVERYBODY IN. ((SIGH)) THAT'S QUITE A PLAN! WAY BACK WHEN [REDACTED] WAS HERE.

AKIM: YES, BUT THEY, THEY BROUGHT HIM IN. THEY TOLD HIM JUST WHAT THEY'RE DOING, BUT THEY NEVER TOLD HIM HOW THEY'RE DOING IT. THAT WAS A POLITICAL MOVE.

ORTH: O.K., BUT I DON'T UNDERSTAND...

AKIM: ((INTERRUPTS)): CAN WE AT ONE POINT TAKE A LITTLE TIME AND GET INTO.....

((TIME OUT FOR CHATTER ABOUT ROOMS, MAKING A PHONE CALL, ETC.))

AKIM: I DETECT THAT HE IS... HE'S TRYING... HE'S PUSHING FOR [REDACTED]... ?THE ONLY THING?, IT'S UNJUSTIFIED. NOW THAT HE'S SEEN SUCCESS, HE'S TRYING TO.... ((DOESN'T FINISH))

((TIME OUT FOR ANOTHER PHONE CALL.))

TOD SECRET

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((CHATTER ABOUT HOTEL ROOMS, PER DIEM, ETC. PERSIANS BACK IN 301 ROOM NOW. EATING MEAL, SENDING MESSAGES. NORTH EXPLAINS SECURE DEVICE TO THE PERSIANS AND PROMISES TO PROVIDE THEM WITH EVEN BETTER EQUIPMENT AFTER HE PROVES TO HIS BOSS THAT THE CH WORKS.))

((END TAPE A4))

((BEGINNING OF TAPE A5))

NORTH: O.K., YOU WERE TALKING ABOUT....

HAKIM: MR. MONTAZERI.

HAKIM: ((INTERPRETS)): HE'S TRYING TO GIVE YOU VERY IMPORTANT INFORMATION AS TO HOW THEY CAME TO LEARN THAT MONTAZERI KNEW WHY THEY WERE TRYING TO KEEP HIM OUT. HE KNEW THAT. AND HE ALSO IN THIS EXPLANATION IS GOING TO TELL YOU ABOUT THE REST OF ((FEW WORDS)). AFTER IT BECAME KNOWN IN [REDACTED] ABOUT THE EXPLOSIVES, THEY STARTED TO INVESTIGATE TO SEE HOW AND WHO DID IT.

HAKIM: ((INTERPRETS)): THEIR INVESTIGATION SHOWED THAT [REDACTED] WAS BEHIND THIS, AND HE BELONGED TO THE... THE LIBERATION GROUP.

SECOND: THE TERRORIST GROUP.

HAKIM: RIGHT. THAT'S WHAT THEY ARE, BUT HE-- [REDACTED]--WAS IN THE REVOLUTIONARY GUARD. [REDACTED] I'M TRYING TO UNDERSTAND WHAT THAT IS.

SECOND: HE WAS IN [REDACTED]

DAVE: HE WAS [REDACTED]

SECOND: BUT HE'S NO LONGER [REDACTED]

HAKIM: HE WAS NO LONGER...

DAVE: ((IN PERSIAN)) WHAT IS [REDACTED] JOB NOW?

DAVE: ((INTERPRETS)) HE WAS THE... BUT BECAUSE OF THE WAY HE WAS RUNNING THESE THINGS, TWO YEARS AGO THEY DISMISSED HIM.

DAVE: ((INTERPRETS)) BUT HE STILL REMAINS, YOU KNOW, UNOFFICIALLY, AS FAR AS MONTAZERI IS CONCERNED.

HAKIM: ((INTERPRETS)) THEY HAD LEARNED ABOUT THIS THING AND THEY ARRESTED [REDACTED] BUT WHILE DOING THAT, THEY MADE A MISTAKE AND ALSO

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ARRESTED [REDACTED] WHOM THEY RELEASED.

MORTH: WHY WAS HE ARRESTED?

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AKIM: ((INTERPRETS))
[REDACTED]

AKIM: ((INTERPRETS)) WHEN THEY WENT TO [REDACTED] HOME TO ARREST HIM, [REDACTED] WAS ALSO THERE AND THEY ARRESTED HIM AS WELL. [REDACTED] IS ABOUT HIS AGE AND LOOKS VERY MUCH LIKE HIM. [REDACTED]

ECORD: SO IT WAS A MISTAKE.

AKIM: YEAH, IT WAS A MISTAKE; THEY RELEASED HIM.
[REDACTED]

AKIM: ((INTERPRETS)) IMAM KHOMEINI WAS ALWAYS CONCERNED ABOUT [REDACTED] GETTING INVOLVED IN THE FOREIGN ACTIVITIES, BUT THEY COULD NOT PROVE IT UNTIL THIS CAME ABOUT.

UNCLASSIFIEDAKIM: ((INTERPRETS)) WITHOUT COORDINATING THE INFORMATION WITH THE MINISTRY OF FOREIGN AFFAIRS. [REDACTED]
[REDACTED]

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HAKIM: ((INTERPRETS)) IMMEDIATELY AN ORDER WAS ISSUED BY KHOMEINI, ALTHOUGH THIS GUY WAS BEING PROTECTED BY MONTAZERI, TO ARREST HIM.

HAKIM: ((INTERPRETS)) HERE HE WANTS ME TO MENTION ((FEW WORDS MISSED)) ((HAKIM LAUGHS AND SAYS, 'YOU'RE GOING TO LOVE THIS.')) HE SAYS THAT'S TRUE THAT HE IS ARRESTED, BUT THIS IS AS A CONSEQUENCE, A RESULT, OF YOUR DISCUSSIONS WITH MR. MCFARLANE THAT YOU HAVE AGREED TO ARREST HIM.

RECORD: I DON'T UNDERSTAND THAT.

HAKIM: HE'S IMPLYING WHEN MONTAZERI WAS INFORMED THAT [REDACTED] WAS ARRESTED AND THEY EXPLAINED TO HIM WHY HE WAS ARRESTED, HE SAID, 'YES, I KNOW YOU ARRESTED HIM, BUT THE REASON THAT YOU'VE ARRESTED HIM WAS THE RESULT OF YOUR MEETING WITH MR. MCFARLANE. THAT'S WHY HE ...'

HORTH: HE BELIEVES THAT? MONTAZERI BELIEVES THAT?

HAKIM: THIS IS WHAT HE SAYS. LET'S GET TO THE BOTTOM OF IT.

HAKIM: ((INTERPRETS)) HE ((MONTAZERI)) SAYS, 'YOU WOULD HAVE AGREED WITH THE AMERICANS TO PUT THE RADICAL PEOPLE IN THEIR PLACE, AND THAT'S AS A RESULT OF THAT AGREEMENT.'

RECORD: WHO IS 'YOU,' 'FAFSANJANI' WHO WAS HE TALKING TO?

HAKIM: ((INTERPRETS)) HE PUT THAT IN A LETTER TO IMAM KHOMEINI. ((AND MONTAZERI SAID)) 'I MUST UNDERSTAND WHO GAVE THE PERMISSION TO HAVE THE MEETING WITH MR. MCFARLANE.' AND THIS THING WAS STAGED IN SUCH A WAY THAT THE POINT OF THE GUN WAS STUCK AT [REDACTED] ((FEW WORDS MISSED)) AND THE REASON THE GUN WAS POINTED AT HIM WAS BECAUSE [REDACTED] WAS KNOWN TO BE THE VERY STRONG ENEMY OF [REDACTED] ((CONTINUES QUOTING MONTAZERI'S LETTER)) AND I MUST INFORM YOU THAT YOU HAD THIS MEETING WITH MR. MCFARLANE WITHOUT THE PERMISSION OF THE PEOPLE, AND GOD KNOWS WHAT OTHER THINGS YOU GUYS HAVE AGREED ON. ((LAUGHTER FROM AMERICANS.))

RECORD: WAIT A MINUTE, HE'S TELLING KHOMEINI, 'WHERE DID YOU GET THE AUTHORITY?'

HAKIM: NO. HE'S SAYING THAT [REDACTED] HE POINTED THE GUN AT [REDACTED] HE SAYS,

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HE DOESN'T KNOW HOW [REDACTED] ... BUT LET ME EXPLAIN SOMETHING: WHEN YOU ((FEW WORDS MISSED)) YOU DO NOT NECESSARILY ((FEW WORDS MISSED)) THE IRANIAN WAY, SPECIFICALLY. YOU IMPLY, AND YOU ADDRESS ONE CERTAIN PERSON AND YOU, YOU KNOW, IT'S AN IMAGINARY.

RECORD: HE (MONTAZARI) IS SAYING. 'I DON'T UNDERSTAND HOW [REDACTED] GETS SUCH AUTHORITY.

AKIM: RIGHT.

((SEVERAL EXCHANGES INAUDIBLE.))

ORTH: HOW LONG AGO WAS THIS LETTER WRITTEN?

AKIM: ((AFTER CONFERRING WITH [REDACTED]) [REDACTED]

AKIM: ((INTERPRETING)): IMMEDIATELY THIS ISSUE WAS DISCUSSED IN PARLIAMENT, IN THE UNIVERSITIES, AND IN THE MEETINGS OF THE SCHOLARS.

AKIM: ((INTERPRETING)): SOME PEOPLE ((FEW WORDS MISSED)) [REDACTED]'S REAL NAME IS [REDACTED] AND AT ONE OF THESE MEETINGS--THE SCHOLARS MEETINGS-- THIS FELLOW ((NAME MISSED)) ASKED HIM, 'HEY, [REDACTED] WHAT REALLY HAPPENED WITH MR. MCFARLANE ((FEW WORDS MISSED)) SECRET PLANE.

ORTH: HOW DID THEY KNOW THAT?

AKIM: ((AFTER CONFERRING WITH [REDACTED]) MR. MONTAZARI SAID THAT HE HAD A SPY IN THAT MEETING.

ORTH: WHO? ((LAUGHTER)) HE TELLS A GOOD STORY.

AKIM: [REDACTED] SAYS IF YOU WANT TO HEAR THE REST OF THE STORY, YOU'LL HAVE TO GIVE HIM 250 MORE TOWS. ((MORE LAUGHTER))

ORTH: QUITE A STORY TELLER. WHERE'S THE PHONE? ((LAUGHTER))

RECORD: TELL HIM I HAVE THE POLICE RIGHT OUTSIDE.

AKIM: ((INTERPRETING)): SIX NIGHTS AGO, KHOMEINI CALLED HIM INTO TEHRAN FROM QOM. ((FEW WORDS)) MONTAZARI.

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AKIM: ((INTERPRETING)): WHEN HE WAS CALLED TO THIS MEETING WITH KHOMEINI, THEY DISCUSSED VARIOUS ISSUES, [REDACTED] WAS ALSO PRESENT, AND THEY TALKED ABOUT [REDACTED] AND HIS PARTICIPATION IN FOREIGN ACTIVITIES WITHOUT AUTHORIZATION ((WORD MISSED)) AND ALL THAT AND THEY GOT TO DISCUSS THE ISSUE OF THE AMERICAN, AND [REDACTED] BRIEFED MONTAZARI ABOUT WHAT WAS HAPPENING AND HE SAID, 'OH, MR. GHORBANIFAR IS A ((FEW WORDS MISSED)) OLD PERSONAL FRIEND.

ORTH: HE TOLD ME ALL THESE THINGS. GHORBA TELLS EVERYBODY, HE TELLS BANKERS.

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((LAUGHTER))

NORTH: YEAH. AND THE ISRAELIS. TOO. THAT GUY IS ARRANGING EVERYTHING. 305

((FEW EXCHANGES MISSING)).

AKIM: ((INTERPRETING)): HE SAID THEY HAD STARTED TO SUSPECT HIM ([REDACTED]).
 BECAUSE HE SAID, ABOUT [REDACTED] HE SAID HE HAD LEARNED ALL THESE
 THINGS FROM THE AMERICANS, SO IT WAS POSSIBLE THAT HE TOLD MONTAZERI.
 HE WAS THE SPY. AND WHEN IT BECAME KNOWN.

AKIM: ((INTERPRETING)): WHEN THIS BECAME KNOWN, THAT'S WHY THEY ARE REALLY
 ANXIOUS TO BRING GHORBA BACK AND KEEP HIM FOR A COUPLE OF MONTHS.
 I HAVE A FEELING THAT WHEN THEY SAY A COUPLE OF MONTHS, IT'S GOING
 TO BE A LONG, LONG COUPLE MONTHS.

NORTH: YEAH, BUT HE'LL NEVER GO. HE WON'T GO. HOW WOULD THEY GET HIM?

AKIM: ((AFTER ASKING [REDACTED] CAN DO IT. [REDACTED] CAN BRING HIM.

AKIM: ((INTERPRETING)): SOMETHING VERY INTERESTING WHICH DURING THE MINISTER
 OF (FEW WORDS MISSED) THE UNIVERSITY STUDENTS PUBLISHED 5 MILLION
 COPIES OF THE STATEMENT ABOUT THESE AFFAIRS ((FEW WORDS MISSED))
 KNOW WHAT WENT ON THERE.

AKIM: ((INTERPRETING)): ((IT)) HAD GOTTEN SO BAD [REDACTED] WAS AFRAID OF
 COMING OVER, AND HE BROUGHT IT TO HIS ATTENTION THAT IT WAS WITH
 THE APPROVAL OF THE IMAM KHOMENI ((FEW WORDS MISSED)).

NORTH: [REDACTED] WAS AFRAID?

AKIM: [REDACTED] WAS AFRAID OF COMING TO THIS CHANNEL. HE WAS MORE AFRAID
 BECAUSE HE DIDN'T CONTACT THIS CHANNEL THEY JUST SENT.

AKIM: ((INTERPRETING)): [REDACTED] WAS AFRAID ((FEW WORDS MISSED)) BLOWN.

NORTH: IF IT WAS BLOWN, IT WAS ONLY BLOWN INSIDE.

((FEW EXCHANGES INAUDIBLE))

NORTH: BUT GHORBANIFAR KNOWS SOMETHING IS GOING ON.

RECORD: HE DOESN'T KNOW EXACTLY WHAT, ((FEW WORDS MISSED)) UNLESS [REDACTED]
 HAS TOLD HIM.

NORTH: THAT'S A GOOD POINT.

AKIM: [REDACTED] DOESN'T KNOW EVERYTHING.

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TH: [REDACTED] KNOWS A LOT.

JRD: BECAUSE [REDACTED] TOLD ((WORD MISSED)), [REDACTED] TOLD GHORBANIFAR.

IM: [REDACTED] DOESN'T KNOW EVERYTHING ABOUT THIS ...

TH: WAIT A MINUTE, WE KNOW THAT GHORJA KNOWS, [REDACTED]

IM: ... THAT SOMETHING IS HAPPENING.

TH: ... AND HE KNOWS IT'S HIM.

JRD: HE KNOWS IT'S HIM AND HE KNOWS ABOUT THE MEETING IN BRUSSELS.

IM: ((INTERPRETING FOR [REDACTED]

((PORTION MISSED))

IM: DOES HE MENTION HIS NAME?

TH: YES.

JRD: HE MENTIONS A [REDACTED]

IM: ((INTERPRETING)): HE THINKS IT'S [REDACTED]

JRD: IT'S GOOD IF HE THINKS THAT.

TH: WHICH ONE IS HE?

JRD: [REDACTED] ... HE WAS [REDACTED] REMEMBER?

IM: HE'S STILL THERE. THAT'S ONE REASON THEY'RE GOING BACK.

JRD: HE'S A ((WORD MISSED)).

IM: ((INTERPRETING)): HE REFUSES TO GO BACK, AND IF HE DOESN'T RELEASE THE MONEY, HE IS SUPPOSED TO GO HOME ((FEW WORDS MISSED)). HE'S GOT 20 MILLION DOLLARS--LISTEN TO THIS, I'M NOT KIDDING YOU-- HE'S GOT 20 MILLION DOLLARS. HE HAS HIS ORDER FROM [REDACTED] TO GO BACK, HE DOESN'T ((WORD MISSED)) WANT TO GO BACK BECAUSE HE WANTS TO MAKE THIS COMMISSION FOR THE TONS BECAUSE ((FEW WORDS MISSED)) HE CAN MAKE \$1,200 PER TON THAT THEY BRING IN.

JTH: LOOK, THERE'S ONLY ONE ... NO ONE ELSE HAS EVER DELIVERED ANY ...

JIM: THEY KNOW THAT. ((FEW WORDS MISSED)) HE DOESN'T KNOW.

JRD: HE SAYS THAT THEY KNOW IT, BUT THIS IDIOT DOESN'T ((FEW WORDS MISSED)).

JIM: AND HE DOESN'T RELEASE THE MONEY. YOU KNOW WHAT ?SOMEONE? HAS BEEN TELLING HIM? HE SAID, 'WHY DON'T YOU TAKE THE 20 MILLION DOLLARS AND JUST ((WORD MISSED))'

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HAKIM: ((INTERPRETING)): THE MISINFORMATION THAT [REDACTED] HAS BROUGHT OUT IS THAT [REDACTED] HAS ESTABLISHED A LINK WITH AMERICANS AND THEN THEY HAVE [REDACTED] TO FOLLOW UP ON THIS LINK. AND THIS SUBJECT, ONLY [REDACTED] AND HIMSELF ((FEW WORDS MISSED)).

CAVE: ((IN PERSIAN TO [REDACTED]--INAUDIBLE)).

SECORD: DOES [REDACTED] KNOW OF HIS INVOLVEMENT, OF THE DETAILS?

HAKIM: ((FEW WORDS MISSED)) BUT HE ([REDACTED] HAS COME TO HIM [REDACTED], NOT KNOWING HE'S INVOLVED, AND ASKED HIS OPINION--THIS IS ABOUT THREE OR FOUR WEEKS AGO.

HAKIM: ((INTERPRETING)): WHEN HE RETURNED FROM WASHINGTON, TWO DAYS AFTER THAT HE ([REDACTED]) WENT TO HIM [REDACTED].

HAKIM: ((INTERPRETING)): BECAUSE HE KNOWS [REDACTED] KNOWS WHAT'S GOING ON ((FEW WORDS MISSED)) FOUND OUT, AND HE TOLD [REDACTED]

HAKIM: ((INTERPRETING)): THIS PARTICULAR ISSUE ((FEW WORDS MISSED)) BRUSSELS.

CAVE: ((WORDS MISSED)) KEPT ASKING ME, 'ARE YOU CURRENT ON WHAT'S GOING GOING ON IN BRUSSELS?' I SAID, 'YEAH ((WORDS MISSED)).'

SECORD: BUT IF HE KNEW ... HOW WOULD HE KNOW ABOUT BRUSSELS?

CAVE: THIS IS ... [REDACTED] KNOWS.

SECORD: YES, BUT HOW WOULD HE KNOW?

HAKIM: ((AFTER ASKING [REDACTED] HASHEMI-RAFSANJANI TOLD [REDACTED]

SECORD: THAT THERE WAS A DISCUSSION IN BRUSSELS ...

HAKIM: AND HE HAD YOUR NAME AND MY NAME, BUT THEY DIDN'T WANT TO USE HIS NAME. HE PREPARED THE REPORT, LET ME BACK UP. HE PREPARED THE REPORT WHEN HE WENT BACK FROM BRUSSELS, HE PREPARED THE REPORT FOR [REDACTED]. HE SAID, 'I HAD A MEETING WITH FOUR PEOPLE,' AND HE PUT TWO FAKE NAMES AND CORRECT NAMES. HE MENTIONED YOU BY NAME, MENTIONED ME BY FIRST NAME, AND DISCUSSED EVERYTHING THAT WE HAD DISCUSSED. SO HASHEMI-RAFSANJANI CALLS [REDACTED] IN AND SAYS, 'HEY, YOU LIED TO US, BECAUSE I HAVE, THROUGH MY SOURCES--WITHOUT SAYING WHAT THE SOURCE IS--RECEIVED INFORMATION, AND THE INFORMATION SAYS 1, 2, 3, 4, EVERYTHING THAT WE DISCUSSED ((WORDS MISSED)).'

SECORD: AND THAT'S WHY HE WAS FISHING.

HAKIM: THAT'S WHY HE CAME TO YOU, SIR?

CAVE: YEAH, AND THAT'S WHY ((WORDS MISSED)) TOLD HIM NOTHING.

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HAKIM: AND HE PROBABLY TOLD GHORBANIFAR, 'SOMETHING'S GOING ON.'

CAVE: ((MISSED))

HAKIM: HE CREATED THE NAME.

SECOND: THAT WAS IN THE CONVERSATION WITH [REDACTED]

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((SEVERAL CONVERSATIONS GOING ON SIMULTANEOUSLY))

NORTH: WE'VE GOT TO GET THIS S.O.B. WORKING. THAT'S WHAT WE'VE GOT TO DO. AND IT'S GOING TO BE ALL OVER THE FREAKIN WORLD. WHAT WE'VE GOT TO DO IS FIGURE OUT HOW WE'RE GOING TO HANDLE THE NEXT. LITERALLY, FEW DAYS. AT SOME POINT ALONG THE LINE, WE'RE GOING TO BE FORCED INTO ACKNOWLEDGING THAT WE'RE HOLDING PRIVATE DISCUSSIONS WITH THE 7IRANIANS?

SECOND: THE PROBLEM I SEE IS THAT WE CAN AFFORD THE HEAT, BUT I DON'T THINK THEY CAN. I MEAN, YOU CAN TAKE THE HIGH ROAD. ((YOU CAN SAY)) OF COURSE WE'RE TALKING. WE'RE TRYING ALL THE TIME ((FEW WORDS MISSED)) USE EVERY CHANNEL AVAILABLE. AND WE'RE ALSO TRYING TO STOP THIS BLOODY WAR ((FEW WORDS)) PEACE IN THE REGION. BUT I DON'T THINK THEY CAN STAND THE HEAT. DO YOU AGREE?

CAVE: ((FEW WORDS MISSED)) TO GET THOSE GUYS TO RELEASE THOSE DAMN HOSTAGES SO THAT WE CAN PUT THE BEST LIGHT ON THIS.

SECOND: WELL, IF THEY DO THAT, IT WOULD MAKE IT EASIER ON US.

NORTH: WELL, THAT'S WHAT I'M AIMING FOR.

SECOND: BUT THEIR PROBLEM ((FEW WORDS MISSED)).

NORTH: I UNDERSTAND THAT. THAT'S WHY THIS BACKGROUND IS VERY IMPORTANT TO WHAT WE SAY OR DON'T SAY. YOU KNOW, I MEAN, THERE'S ALREADY RUMORS, AND WE'VE SEEN THE JACK ANDERSON STUFF.

SECOND: IS HE [REDACTED] FINISHED WITH HIS AGENDA?

HAKIM: ((ASKS [REDACTED])

HAKIM: ((FEW WORDS)) IS ACTUALLY ON BAD TERMS...

NORTH: WHO?

HAKIM: MONTAZERI. HE IS NOT ON GOOD TERMS WITH THE REGIME. HE HAS SHUT DOWN HIS HOUSE TO PEOPLE SO NO ONE CAN GO TO HIM, AND HE HAS CLOSED HIMSELF IN.

AVE: HE HAS SEQUESTERED HIMSELF, IS ABOUT THE BEST WAY YOU CAN PUT IT.

NORTH: IS HE UNDER HOUSE ARREST?

AVE: NO. THAT'S "MOHASEREH" ((PERSIAN WORD FOR SEIGE)) ((WORD MISSED)) IS WHEN HE DOES IT HIMSELF, BUT IT'S UNDERSTOOD HE HAS TO DO IT.

HAKIM: IF HE DIDN'T DO IT HE'D BE IN DEEP

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NORTH: HEY, WHERE ARE WE HEADED HERE, GUYS? I NEED TO HAVE A SENSE FOR.

SECOND: I THINK WHERE WE OUGHT TO HEAD IS A DISCUSSION OF WHAT KIND OF ANNOUNCEMENTS OUGHT TO BE MADE WHEN THESE TWO GUYS ARE RELEASED THIS WEEKEND. THAT'S A TACTICAL THING THAT NEEDS TO BE...

NORTH: ((LOUDLY)) HEY, GUYS DOWNSTAIRS, IF YOU GOT ANY MORE TAPE, SOMEBODY BRING IT UP [REDACTED] ((LAUGHS)) WE'RE OUT OF TAPE FOR OUR FREAKIN MACHINE. ((LAUGHTER)).

HAKIM: THIS GUY HAS TOLD 16 PEOPLE...

NORTH: WHO'S "THIS GUY?"

HAKIM: [REDACTED]

NORTH: WHAT DO YOU ((FEW WORDS)) TO CHANGE HIS TAPE? ((APPARENTLY TALKING ABOUT [REDACTED] WHO HAS LEFT THE ROOM.))

HAKIM: HE PROBABLY WENT TO SEE ((FEW WORDS MISSED)).

SECOND: HE WENT TO ?SEE? ((WORD MISSED))

NORTH: WHY, WHY IS HE ((FEW WORDS MISSED)) NEXT DOOR?

HAKIM: BECAUSE WE STARTED TALKING ((FEW WORDS MISSED)) HE SAID, HE MENTIONED, I ASKED HIM.....

NORTH: IS HE CARRYING SOME ((FEW WORDS MISSED)). ?DO THEY HAVE ONE? NEXT DOOR? ARE YOU SURE?

AVE: ((INAUDIBLE))

NORTH: WHAT DID HE SAY?

HAKIM: THERE ARE TOO MANY THINGS HAPPENING, SO LET ME GO BACK ? A LITTLE BIT? HE ((FEW WORDS MISSED)) MONTAZERI, HE CLOSED SHOP. THAT MEANS HE KNEW THAT IF HE DIDN'T, HE WOULD BE IN DEEP SHIT, BECAUSE KHOMEINI HAS ORDERED "THE ARREST" OF THE, OF HIS GROUP WHO HAD PARTICIPATED

[REDACTED] AND WHEN KHOMEINI SAYS "ARREST," IT MEANS EXECUTE THEM.

NORTH: O.K., I HEAR YOU, BUT I'M A LITTLE CONFUSED. [REDACTED]

HAKIM: [REDACTED] DID IT.

NORTH: YEAH, [REDACTED]

AVE: ((FEW WORDS MISSED)) WHAT [REDACTED] WAS DOING IS.. WHAT THEY WERE DOING IS ((FEW WORDS MISSED)) ((PORTION INAUDIBLE)) THE GUYS THAT THEY FOUND OUT THAT DID NOT COOPERATE AMONG THE ?SHI'AH?, THEY WOULD KNOCK OFF.

NORTH: I'M NOT SURE OF THAT. I MEAN...

SECOND: I GATHER THAT THESE ARE GUERRILLAS THAT HE HAS KILLED?

AVE: YEAH...

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ORD: [REDACTED]

IM: WELL, ASK HIM. THAT'S A SIMPLE ENOUGH QUESTION. ASK HIM. C 370
 WELL ANYWAY, THE IMPORTANT THING IS THE PEOPLE THAT ARE BEING
 ARRESTED, FROM [REDACTED] GROUP, ARE GOING TO BE ALL
 EXECUTED. HE SAYS, "WHEN KHOMEINI SAYS 'ARREST THEM,' THIS IS
 UNDERSTOOD TO MEAN THAT THEY ARE GOING TO BE EXECUTED, AND THEY HAVE."

ORD: ((INAUDIBLE))

IM: [REDACTED] HAS CLOSED DOWN SHOP. HE'S NOT ARRESTED YET? BUT HE.
 PROBABLY THAT'S A DEAL THAT KHOMEINI HAS MADE. HE'S SAID, "YOU
 GO AHEAD AND SHUT YOURSELF IN." ((FEW WORDS MISSED.)) THAT'S MY
 ASSESSMENT. WOULD YOU AGREE WITH THAT, SAM? THEY WILL GO AHEAD
 AND EXECUTE THESE PEOPLE. BUT UH... ((PERSIANS RETURN TO THE ROOM.))
 HE WENT TO BRING ME THE NEWSPAPER.

SEVERAL EXCHANGES INAUDIBLE))

E: ((APPARENTLY TRANSLATING FROM A PERSIAN NEWSPAPER.)) THE OFFICE OF
 THE IMAM HAS ISSUED ORDERS TO ARREST THOSE HAVE GONE ASTRAY, THAT
 ARE CONNECTED WITH [REDACTED]

ORD: DOES IT MENTION [REDACTED] SPECIFICALLY?

E: ((READING IN PERSIAN)) "CHARGES AGAINST THIS GROUP: MURDER BEFORE
 THE REVOLUTION; COOPERATION WITH SAVAK, AND THIS IS CONNECTED TO [REDACTED]
 [REDACTED] WELL, HE'S GOING TO BE DEAD AFTER THIS ANYWAY. "KIDNAPPING
 AND MURDER AFTER THE REVOLUTION; HOLDING WEAPONS AND EXPLOSIVES
 ILLEGALLY; FIVE, HOLDING SECRET GOVERNMENT DOCUMENTS; SIX, COUNTER-
 FEITING GOVERNMENT DOCUMENTS; SEVEN, SECRET, UNLAWFUL ACTIVITY..."

TH: WHAT ROLE DID HE HAVE WITH THE DANA AND HIZBALLAH?

IM: WE WILL ASK HIM. BUT THE 14 PEOPLE... HE STARTED TO TELL ME THIS.
 WAS MR. ((NAME MISSED)) WHO WAS KNOWN TO BE AN AMERICAN ((WORD
 MISSED)) ASKED HIM WHO WERE THE [REDACTED]

TH: THESE ARE [REDACTED]

IM: YEAH. AND HE SAYS ((FEW WORDS MISSED.))

E: ((INAUDIBLE.))

TH: LOOK, WHY DON'T WE GO TAKE A BREAK?

((MUST BE PRAYER TIME. PERSIANS TRYING TO ESTABLISH DIRECTION OF
 MECCA. AMERICANS LEAVE.))

((END OF TAPE A5))
 ((BEGINNING OF TAPE A6))

DURING FIRST PART OF TAPE, PARTICIPANTS APPEAR TO BE EXAMINING A
 MAP. EXCHANGES ARE FOR THE MOST PART INAUDIBLE.
 LATER THE AMERICANS, EXCEPT FOR HAKIM, APPEAR TO HAVE LEFT THE ROOM.
 CAN HEAR CONVERSATION IN PERSIAN IN THE BACKGROUND BUT, EXCEPT FOR
 ISOLATED PHRASES, THE EXCHANGES ARE INAUDIBLE.

AT ONE POINT, HOWEVER, THE PERSIANS PLACE TELEPHONE CALLS,
 APPARENTLY TO TEHRAN, AND PARTS OF THEIR END OF THE CONVERSATION
 CAN BE HEARD.

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IN THE FIRST CONVERSATION. THE SPEAKER APPEARS TO BE [REDACTED] IN THE COURSE OF THE CONVERSATION HE DICTATES THE TEXT OF A TELEX IN WHICH HE STATES THAT "AN ERROR WAS MADE IN THE PART NUMBER OF ITEM 56. THE NUMBER HAS TO BE SOMETHING ELSE; WE WILL TELL YOU WHAT IT IS IN THE NEXT CONVERSATION. MEANWHILE THE NUMBER OF THE BANK ACCOUNT IS [REDACTED]"

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IN THE SECOND CONVERSATION, [REDACTED] TELLS SOMEONE TO PASS THE WORD ON TO SOMEONE ELSE THAT "THERE IS VERY LITTLE TIME ON THIS MATTER OF STEP NUMBER 4; IT MUST BE CONCLUDED BY SATURDAY AT THE LATEST. TELL HIM TO GET IN TOUCH WITH [REDACTED]"

[REDACTED] SHOULD SAY THAT WE HAVE ONLY UNTIL SATURDAY AND THAT HE SHOULD TRY TO SEE TO IT THAT TWO ARE... YOU KNOW."

((END TAPE A6))

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14-273

11/18/86 1600

N 9318

QUESTIONS AND ANSWERS RE U.S. POLICY TOWARD IRAN

Q: WHAT CAN YOU TELL US ABOUT THE NSC DOCUMENT FROM JUNE 1985 WHICH CALLED FOR A CHANGE IN U.S. POLICY TOWARD IRAN?

- A: -- From late 1984 onward, signs of growing Soviet influence in Iran and the potential for internal fragmentation were serious cause for concern.
- Based on a CIA assessment, the NSC staff prepared an options paper for interagency review.
- Focused on possible means for improving U.S. strategic position in order to affect the course of change in Iran and counter Soviet moves.
- My NSC adviser distributed a draft directive (NSDD) to the Secretaries of State and Defense and the Director of CIA in mid-June.
- Each provided detailed comments on the NSDD draft. While he did not agree with entire paper, SECDEF never told me ideas in the paper were "absurd" as was reported in the media.
- Their comments were taken into account in my ongoing consideration of possible U.S. initiatives toward Iran.

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12/1/86

Partially Declassified
under provisions of E.O. 12958
by B. Rogers, National Security Council

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N 9319

Q: HAS THIS INITIATIVE WITH IRAN HAD ANY POSITIVE EFFECT?

A: Yes, there have been a number of positive effects. Although it is too soon to give a complete assessment, we have seen a marked reduction in Iranian sponsored terrorism over the last 18 months:

- Several Iranians responsible for instigating international terrorist acts have been arrested in Iran.
- The Iranian government helped to resolve the TWA hijacking in Beirut last June.
- In September this year, Iran denied access to the hijackers of the Pan Am flight from Karachi, Pakistan.

Q: ISN'T YOUR ADMINISTRATION, THROUGH THE NATIONAL SECURITY COUNCIL AND LIEUTENANT COLONEL NORTH, REALLY BREAKING THE LAW; IN THIS CASE, IN CENTRAL AMERICA AND PERHAPS OTHER PLACES STILL HIDDEN IN WHITE HOUSE SAFES?

A: There you go again. That is simply not true. We have consistently and faithfully complied with the law. I have seen much of the reporting concerning LTCOL North's activities. I can only say that he is a hardworking and honest officer with whom I have a great deal of trust. I might add that that also goes for his boss, John Poindexter, and the entire NSC staff.

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N 9320

Q: DID THE SECRETARY OF DEFENSE REALLY SAY, WHEN THE POLICY PAPER ON THIS IRAN CAPER WAS DISTRIBUTED, THAT THE WHOLE IDEA WAS ABSURD?

A: Cap is a close and trusted adviser and I can only say that he didn't tell me that.

Q: WAS CIA DIRECTOR CASEY ORDERED NOT TO INFORM CONGRESS OF THE SECRET "FINDING" THAT YOU SIGNED LAST JANUARY?

A: Yes, that is true. After lengthy legal consultations, I decided that, in this case, the lives of the people involved were at great risk, including those who were talking to us in Iran as well as our own hostages in Lebanon. We always intended and planned to fully inform the appropriate committees of Congress and, as a result of the recent speculation in the press, we have begun to fulfill that commitment. The paper I signed simply told the Director to "refrain from reporting...until I otherwise direct."

Q: YOUR CHAIRMAN OF THE JOINT CHIEFS OF STAFF SAID THAT HE WAS NOT CONSULTED OR AWARE OF THIS OPERATION, IS THAT TRUE?

A: As I have said earlier, all of the appropriate Cabinet Officers and officials were consulted and informed regarding this initiative. In this case, since it was not directly a

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N 9321

military operation, it is not unusual that he was not directly involved. He has not complained to me over not being involved.

Q: DID THE U.S. GOVERNMENT AUTHORIZE ISRAEL TO SHIP MILITARY EQUIPMENT TO IRAN IN OUR BEHALF?

A: As I have said before, we will not make public any of the details of this matter or name those who did or did not help us in this matter. I will say that on two specific occasions I authorized an exception to policy by permitting a small amount of defensive military equipment to be transferred to Iran.

Q: IS IT PROPER TO HAVE THE STAFF OF THE NATIONAL SECURITY COUNCIL RUN AN OPERATION SUCH AS THIS? AND, ISN'T THIS JUST A WAY TO CIRCUMVENT THE OVERSIGHT REQUIREMENTS PLACED ON THESE TYPES OF ACTIVITIES BY CONGRESS?

A: As with any sensitive intelligence or diplomatic initiative, participation by departments and agencies, as well as individuals, must be based on their need to know. All of my national security advisers were consulted and they in turn advised those officials within their departments who had a need to know. Involvement of the NSC staff was also

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N 9322

limited to a few individuals. The NSC staff was simply fulfilling its function advising me on national security issues, as well as carrying out my directions. As I have said before, we have every intention of fulfilling the reporting requirements mandated for these types of activities.

Q: DID THE SHIPMENT OF ARMS TO IRAN VIOLATE THE ARMS EXPORT CONTROL ACT OR ANY OTHER LAW?

A: No, it did not. Although we do have an arms embargo in place against Iran, as President, I made a limited exception to that policy and authorized the shipment of a small amount of defensive arms in order to signify the seriousness of our intentions. In the case of the two third country transfers, the value of the materiel transferred was below that which requires Congressional notification.

Q: ISRAELI DEFENSE MINISTER RABIN HAS SAID THAT HIS GOVERNMENT ONLY SHIPPED ARMS TO IRAN AT THE BEHEST OF THE UNITED STATES GOVERNMENT. IS THAT TRUE?

A: Again, I'm not going to comment on any of the details or specifics that pertain to this matter. But, I will say that I authorized only two small shipments to be made by a third country.

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N 9323

Q: ISN'T THIS JUST ANOTHER FAILURE OF YOUR FOREIGN POLICY LIKE THE DANILOFF CASE, THE LIBYAN DISINFORMATION CAMPAIGN, AND THE REYKJAVIK SUMMIT?

A: No. The longer I'm here in Washington, the more I realize that in this town rumor and fiction seem to be more important than fact.

Q: ISN'T CONGRESS RIGHT THAT YOU TRUSTED THE AYATOLLAH MORE THAN YOU TRUSTED THE AMERICAN PEOPLE AND YOUR OWN OFFICIALS?

A: That's ridiculous. What we were attempting to do required extreme sensitivity because of the longstanding animosity between our two countries. If this initiative had been revealed earlier, I am convinced that we could not have proceeded as far as we have. Given the unfortunate speculation and uninformed publicity of recent days, there is no doubt tht the initiative is at increased risk.

Q: SOME OFFICIALS HAVE SAID THAT, AS A RESULT OF THIS PIASCO, WE HAVE NO TERRORISM POLICY. CAN YOU COMMENT?

A: I don't know who those sources are, but I'm here to tell you that is simply not the case. We have a clear and unshakable policy with regard to terrorism and anybody who wants to test us should think twice.

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Q: DID YOUR NATIONAL SECURITY ADVISER LIE OR MISLEAD THE AMERICAN PEOPLE REGARDING OUR ARMS EMBARGO AGAINST IRAN?

A: No. What was said is absolutely correct. Our arms embargo will remain in effect as long as Iran sponsors terrorism. When we are convinced that they have changed their policy, we will reevaluate the need for that embargo.

Q: CAN YOU TELL US THAT THERE WILL BE NO MORE ARMS SHIPMENTS TO IRAN?

A: We have no plans to supply any more arms to the Iranians.

Q: WHAT ABOUT OFFENSIVE ARMS? HAVE WE PERMITTED OR ALLOWED ANY OTHER COUNTRY TO SHIP OFFENSIVE ARMS TO IRAN?

A: No.

Q: WHAT ARE YOU GOING TO DO ABOUT THE CREDIBILITY GAP THAT THIS EPISODE HAS CREATED FOR YOU AND YOUR ADMINISTRATION?

A: I can only do what I am doing now and what we have always done and that is to give the American people the facts and let their good judgement and trust in the Presidency guide our actions. As President, I am responsible for the

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((TAPE A17))

C 10434
Chapter 14

Footnote 250 256

NORTH: SHALL I TAKE THEM ON THE SAME GUIDED TOUR THAT YOU GOT OF
THE WHITE HOUSE?

257

CAVE: ((INTERPRETS))

14-276+277

CAVE: ((INTERPRETS)) HE SAYS IT WOULD BE A GOOD IDEA TO HAVE ((FEW
WORDS MISSED))

NORTH: ((MISSED))

CAVE: ((MISSED))

SECOND: NUMBER TWO TO SHULTZ.

CAVE: ((INTERPRETS))

CAVE: [REDACTED]

CAVE: ((INAUDIBLE))

CAVE: THAT'S THAT

SECOND: HE SAID "THIS IS ALL A JOKE."

CAVE: ((LAUGHS))

CAVE: [REDACTED]

NORTH: IS THAT RIGHT. HE'S A SMART MAN.

CAVE: [REDACTED]

SECOND: THAT'S VERY DIFFICULT TO DO.

CAVE: ((INTERPRETS)) ((FEW WORDS MISSED)) ALSO A MULLAH.

NORTH: IS THAT RIGHT? HOW OLD IS HE?

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) AND HE IS A VERY CLOSE FRIEND OF HIS [REDACTED]

Partially Declassified - Released on 1/26/88
Under provision of E.O. 12958
By B. Jager, National Security Council**UNCLASSIFIED**

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C 10435

CAVE. [REDACTED]

CAVE ((INTERPRETS)) [REDACTED] NOT ((FEW WORDS MISSED)).

SECOND WHAT HAPPENS AFTER, UH. LET US ASSUME THAT SUNDAY AFTERNOON WE DO ALL THIS COORDINATION AND THESE TWO PEOPLE ARE RELEASED AND UH. WHAT DOES HE ENVISION THE NEXT STEP IS? WHAT DO WE DO?

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE'S GOING TO GIVE YOU HIS PERSONAL OPINION

CAVE ((INTERPRETS)) OK. WHAT HE'S THINKING OF IS. HE SAYS THIS. WHAT THEY WOULD LIKE--HERE'S WHAT HIS PROPOSAL IS AND HOW HE SEES IT. WE GO AHEAD WITH THE HAWK SPARES. THEY'LL PAY THE MONEY FOR THEM AND SHIP THEM. I GUESS THE MEDICINE WILL BE ON THAT AS WELL.

NORTH ((MISSED))

CAVE ((MISSED))

NORTH OK THAT'S RIGHT. THEY'RE ((FEW WORDS MISSED))

SECOND THEY'LL GO WITH THE BOIES

CAVE ((SENTENCE MISSED)) WHAT DID I JUST SAY?

SECOND YOU SAID THE NEXT STEP WOULD BE THE HAWKS.

NORTH LET ME JUST. PAY FOR HAWK SPARES IS THE FIRST STEP SECOND

SECOND SHIP THE HAWK SPARES.

NORTH SHIP THE HAWK SPARES

CAVE ((INTERPRETS))

CAVE ((INTERPRETS)) HE SAYS THAT THE MONEY IS ALREADY IN FRANKFURT

SECOND BUT HE SAID THAT [REDACTED] IS COMING [REDACTED] AND

CAVE I'LL GET INTO THAT. AND WHAT HE SAYS THEY WOULD LIKE TO DO IS ((REMAINDER OF SENTENCE MISSED)). I TOLD HIM THAT IT'S GOING TO BE DIFFICULT TO GET SOMEONE ((FEW WORDS MISSED)) THAT HE WANTS IS

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C 10436

NORTH: WHAT WE DON'T KNOW... I'VE BEEN ON THE PHONE HALF THE NIGHT ON TECHNICIANS. OK? I HAVE A TECHNICIAN LINED UP. BUT I AM TOLD THAT THEY ARE NOT ANXIOUS TO SHIP TECHNICIANS WHILE HOSTAGES ARE BEING HELD.

CAVE: ((INTERPRETS))

NORTH: THIS IS WHAT HE TOLD ME: HE SAID, "ONE, IT WILL BECOME PUBLICLY KNOWN."

CAVE: ((INTERPRETS))

CAVE: I TOLD HIM HE SAID, "NO I DON'T THINK..." HE SAID HE DOESN'T THINK IT WOULD BECOME

NORTH: [REDACTED]

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS THAT ONE THING YOU SHOULD KNOW (FEW WORDS MISSED) IS THAT THE POLICE/ARMY HAVE ALL BEEN TAKEN OVER BY THE P-14'S. THEY'RE UNDER THEIR CONTROL.

NORTH: EVEN THE PILOT? HE IS THE ONLY ONE WHO WOULD HAVE IT? (FEW WORDS MISSED)

CAVE: IN PERSIAN: DO YOU HAVE A PILOT?

[REDACTED]: IN PERSIAN: YES

NORTH: FOR THE P-14'S?

CAVE: ((INTERPRETS))

CAVE: ((INTERPRETS)) HE SAYS (FEW WORDS MISSED) [REDACTED] AND HE WOULD BE THE GUY THAT YOUR EXPERT WOULD BE IN CONTACT WITH.

[REDACTED]:

CAVE: ((INTERPRETS)) HE SAYS DON'T WORRY ABOUT IT COMING OUT IN IRAN (FEW WORDS MISSED) MCFARLANE. ((LAUGHTER))

NORTH: FIVE MILLION COPIES OF HIS PICTURE? (FEW WORDS MISSED) IT IS NOT THAT WE DO NOT TRUST YOU OR YOUR PEOPLE--THAT'S NOT THE PROBLEM. THE PROBLEM IS THAT IT'S POLITICAL ON OUR SIDE IF IT BECOMES PUBLIC KNOWLEDGE AND THERE ARE STILL HOSTAGES BEING HELD.

CAVE: ((INTERPRETS))

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CAVE: [REDACTED] ((INTERPRETS)) HE IS SAYING NO. [REDACTED] SAYS LOOK THIS TO DO

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THIS ... IT WOULD BE AN IMPORTANT POLITICAL STEP TO DEMONSTRATE ((FEW WORDS MISSED)).

NORTH: ((WORD MISSED)) WE'VE GOT THE GUY ... I THINK SOMEBODY'S SIGNING THE CONTRACT WITH HIM RIGHT NOW--WELL NOT YET. IT'S ONLY SIX IN THE MORNING.

CAVE: ((INTERPRETS)) HE SAYS WHAT HE'S ASKING IS THAT YOU GUYS GOT TO GO BACK TO WASHINGTON AND CONVINCE THE RESPONSIBLE OFFICIALS TO DO THIS ((FEW WORDS MISSED)).

NORTH: THE GUY WE'VE GOT--I THINK--IS A FORMER MILITARY GUY. HE'S A FORMER NAVY GUY WHO NOW WORKS FOR ... HUGHES.

SECRO: I THINK SO. LISTEN. WE CAN GO BACK AND TRY TO CONVINCE WASHINGTON OF A LOT OF THINGS. BUT AFTER SUNDAY WE WILL HAVE STILL AT LEAST ONE HOSTAGE THAT WE SCORE OR COUNT AGAINST IRAN--AT LEAST ONE. I THINK THAT IT'S HIGHLY UNLIKELY THAT WE WOULD BE ALLOWED TO SEND TECHNICIANS INTO IRAN, TO ISFAHAN, UNTIL WE GET THAT GUY OUT. SO WHY CAN'T WE DO SOMETHING TO GET THE GUY OUT? THAT'S WHAT I WANT TO TALK ABOUT.

CAVE: ((INTERPRETS))

((IN PERSIAN)) I'LL TRY TO RESOLVE THAT TOO.

SECRO: WELL, IT'S VERY IRONIC. WHAT THEY'RE DOING IS HOLDING THEMSELVES HOSTAGE BECAUSE OF ONE GUY.

CAVE: ((IN PERSIAN)) IT'S A POLITICAL ISSUE. WE THINK WE CAN NAME SOMEBODY, BUT BEFORE WE SEND HIM, WE HAVE TO GET THE PRESIDENT'S PERMISSION.

CAVE: ((INTERPRETS)) HE SAYS THAT THERE'S A KIND OF WAR OF NERVES. HE SAYS THAT ... FIRST HE SAYS LOOK, I ... YOU GUYS HAVE PROBLEMS ((FEW WORDS MISSED)) I MEAN I CAN'T GET INVOLVED IN THAT BECAUSE I DON'T UNDERSTAND YOUR PROBLEMS AND YOU'RE GOING TO HAVE TO WORK ON THEM YOURSELVES. ((FEW WORDS MISSED)) HE SAYS BUT ((FEW WORDS MISSED)) ((FEW WORDS MISSED)) HAS BEEN TAKEN ON THE SUBJECT OF THE PHOENIX ((FEW WORDS MISSED)) THAT 2700 WE ((FEW WORDS MISSED)), AND HE'S PUT AN AWFUL LOT OF PRESSURE ON ((FEW WORDS MISSED)) ON THE ISSUE OF THE PHOENIX. AND HE SAYS IT'S ALMOST BECOME LIKE A WAR OF NERVES BECAUSE ((FEW WORDS MISSED)) HAS ALSO TALKED TO HIM ABOUT THE PHOENIX. AND HE SAYS THAT ...

NORTH: HE'S TALKED TO EVERYBODY ABOUT IT. ((FEW WORDS MISSED)) TALKING PHOENIXES. EVERYBODY'S TALKING

CAVE: BUT HE SAYS THAT THIS IS ONE OF THE THINGS THAT HAS REALLY BEEN TAKEN UP WITH, AND THIS WAS ONE OF THE REASONS WHY HE BROUGHT IT UP. TO EXPLAIN ((ONE WORD MISSED)) HERE IS THE AMOUNT OF PROGRESS TO BE MADE IF WE WOULD SEND A TECHNICIAN AND JUST LOOK AT THE PHOENIX.

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SECOND: WE UNDERSTAND THAT.

[REDACTED]

CAVE ((INTERPRETS)) ((FEW WORDS MISSED)) HE ALREADY TOLD THEM. HE SAID, THEY, LOOK, THERE IS NO CHANCE THAT THE UNITED STATES IS GOING TO SEND PHOENIX MISSILES TO US?

NORTH? TRUE.

[REDACTED]

CAVE ((INTERPRETS)) AND HE SAID... HE ADDED... HE SAID ONE OF THE REASONS THEY'RE SO HOT ON TRYING TO GET WORKING THE 70 SCHE PHOENIXES THAT THEY'VE GOT, IS BECAUSE THEY KNOW THAT THEY CAN'T GET ANY MORE.

NORTH YOU KNOW THERE ARE STILL PEOPLE OUT TRYING TO BUY PHOENIXES THEY OUGHT TO SAVE THEIR MONEY.

CAVE ((INTERPRETS))

NORTH A WASTE OF TIME AND MONEY.

[REDACTED]

CAVE ((INTERPRETS)) HE SAYS WE DON'T WANT ALL OUR WORKERS IN THE MINISTRY OF DEFENSE TO BE OUT OF WORK. (LAUGHTER)

SECOND LOOK, WE'RE STILL NOT BEING RESPONSIVE TO THE POINT. I MEAN WE UNDERSTAND THE PRESSURE ON THE PHOENIX. WE'VE UNDERSTOOD IT FOR A LONG TIME, BUT IT MAKES NO SENSE TO ME WHY THEY WOULD WANT TO HANG ON TO, OR NOT GRAB THIS STUFF. BECAUSE, I SAY, WHY WOULD YOU?---BECAUSE THAT PRESENTS A BIG, BIG PROBLEM FOR US. IT'S A BIG PROBLEM FOR THEM. WHY NOT JUST GET HIM THE HELL OUT OF THERE AND LET US ROLL?

CAVE ((INTERPRETS))

[REDACTED]

CAVE ((INTERPRETS)) HE SAYS WE DON'T CARE WHAT YOU SAY. HE'S GOING TO TELL THEM WHEN HE GETS BACK. ((WORD MISSED)) THAT YOU PROMISED TO SEND HIM. [REDACTED] (LAUGHS)

SECOND BUT HE'S STILL NOT TALKING ABOUT THE GOD DAMNED HOSTAGE THING. [REDACTED] I MEAN WE NEED TO GET TO THIS. WE NEED TO GET THIS OFF THE TABLE.

NORTH THAT IS IMPORTANT.

CAVE THAT IS IMPORTANT. (IN PERSIAN ASK [REDACTED] ABOUT THE STATUS OF THE OTHER HOSTAGE--THE ONE WHO WILL REMAIN AFTER TWO ARE RELEASED)

[REDACTED] ASKS CAVE THE TOTAL NUMBER OF HOSTAGES?

CAVE THERE ARE SIX LEFT RIGHT NOW, RIGHT?

NORTH WE HAVE SEVEN MORE THAT ARE BEING HELD.

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ANDERSON, CICIPPPIO, REED, AND AUSTIN...UH, AUSTIN
TRACY

CAVE ((INTERPRETS)) HE SAYS ((FEW WORDS MISSED)) IS THIS THE ONE
THAT LARRY SPEAKES SAYS IS A BOOKSELLER? ((FEW WORDS MISSED))

NORTH YEAR HE'S ACTUALLY

CAVE HE ASKED ME, 'HAVEN'T THE SYRIANS GOT SOMETHING TO DO WITH
IT?'

NORTH 'I DON'T KNOW' IT'S PROBABLY THE LIBYANS.

CAVE ((INTERPRETS))

NORTH 'YES, YOU, YOU GUYS JUST TELL US WHERE THEY ARE.

CAVE ((INTERPRETS))

CAVE

NORTH

YOU ONCE OFFERED TO TELL US WHERE
THEY WERE.

CAVE ((INTERPRETS))

CAVE

AND WE
WOULD ((FEW WORDS MISSED)) DEFEND OUR TERRITORY ((FEW WORDS
MISSED)) " NOW, HE SAYS, "LOOK, I'LL TELL YOU WHAT I'LL DO.
YOU SEND THAT TECHNICIAN TO HELP US WITH THE PHOENIXES. I WILL
PERSONALLY GET THE THIRD GUY OUT, AND I COULD TELL YOU WHERE
THE REST OF THE GUYS ARE. I WILL LEARN WHERE THEY ARE. I WILL
FIND OUT WHERE THEY ARE.

SECOND HE DOESN'T KNOW WHERE THEY ARE.

CAVE TO WHAT HE SAID ON THAT WAS HE SAID THAT WHEN WE DISCUSSED
THIS BEFORE HE DOESN'T KNOW WHERE ((FEW WORDS MISSED)) WAS SEEN ABLE TO
FIND OUT ((FEW WORDS MISSED)) BUT ((FEW WORDS MISSED)) WAS GIVEN THE MISSION.
YOU KNOW, LIKE HE TALKED BEFORE OF FINDING OUT WHERE THE OTHER
TWO GUYS ARE.

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NORTH: HOW MANY [REDACTED]
 CAVE: THEY'VE GOT [REDACTED] DON'T THEY--HOSTAGES?
 NORTH: I'VE GOT IT DOWN. I THINK IT'S [REDACTED] I'LL GIVE YOU THE LIST.
 CAVE: AND HE SAYS THAT HE'S CERTAIN THAT IF ANY PROGRESS CAN BE MADE ON THIS KUWAITI THING....

CAVE

NORTH

CAVE

CAVE

NORTH

SECOND

CAVE

SECOND

NORTH

LOOK. I'LL GET YOU A TECHNICIAN. ALRIGHT? I DON'T KNOW IF HE'S GOING TO BE THERE TUESDAY OR NOT. BUT, BY GOD, WE'RE GOING TO GET A TECHNICIAN. I THINK WHAT WE GOT TO DO IS THIS. WE GOT TO PLAN TO SEND A TECHNICIAN ALONG WITH THE HAWK PARTS.

CAVE

(INTERPRETS, THEN IN ENGLISH) I TOLD HIM WE MIGHT EVEN SEND TWO.

SECOND

TELL HIM I'LL MAKE HIM A DEAL. GIVE ME ONE OF HIS F-4'S. I'LL GO SHOOT DOWN SOME AIRPLANES. I'LL GET AT LEAST THREE ON THE FIRST DAY.

CAVE

(INTERPRETS)

SECOND

WE'LL PUT [REDACTED] IN THE BACK SEAT

CAVE

(INTERPRETS)

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AVE ((INTERPRETS)) HE SAID IT WOULD BE A PITY IF YOU GOT KILLED

RECORD: HOW WOULD I GET KILLED BY AN IRAQI PILOT? IMPOSSIBLE

ORTH: ALRIGHT. I'LL HOLD YOU AT YOUR WORD. BECAUSE I'M GOING TO PRODUCE THE TECHNICIANS.

RECORD: YOU BETTER GET READY TO GO TO LEBANON

AVE ((INTERPRETS))

AVE ((INTERPRETS)) HE SAYS. AS OF THE TIME HE LEFT TEHRAN. HE SAYS DON'T WORRY ABOUT THE ONE GUY. HE SAYS THAT HE'LL BE FREE. THE OTHER TWO. HE SAID AS OF THE TIME.

ORTH: TWO?

AVE: WELL, THERE ARE THREE. AS OF THE TIME HE LEFT TEHRAN. WELL THEY WERE JUST LOOKING FOR TWO. YOU KNOW. BECAUSE THE OTHER GUY WAS TAKEN. HE SAID THERE WAS NO WORD ON PRECISELY WHERE THEY WERE.

RECORD: HE MEANT THEY MAY GET HARD TO FIND

AVE: ((INTERPRETS)) WHAT HE SAYS IS ((FEW WORDS MISSED)) ONE OF THE THINGS THAT'S ((FEW WORDS MISSED)) POLITICAL AND DEFENSE FACILITY WHICH IS THE CONTINUED ATTACKS ON LIVES BY THE IRAQI AIR FORCE. AND YOU KNOW THEY COULDN'T ON THE PHOENIX AS THE ONE WAY THEY CAN DO SOMETHING ABOUT IT.

ORTH: WELL YOU KNOW WOULD YOU DO ME A FAVOR AGAIN? AGAIN TODAY? ((FEW WORDS MISSED)) RESERVATIONS ((FEW WORDS MISSED)) FLIGHT PLAN IS BECAUSE I HAVE NO IDEA WHAT MY ((FEW WORDS MISSED)) FLIGHT PLAN IS.

RECORD: IN

AVE: ((INTERPRETS)) HE SAYS WHAT IS A GOOD IDEA ABOUT BRINGING THEM IN WITH THE HAWKS IS THAT THERE'LL THE PASDARAN CAN TAKE CONTROL OF THEM WHEN THEY ARRIVE IN ISFAHAN ASSIST ((FEW WORDS MISSED))

ORTH: HMM. WE NEED TO RESOLVE THE DISCREPANCY IN THE HAWK PARTS DOES HE NOT WANT US TO SHIP 15?

AVE: ((INTERPRETS))

AVE: ((INTERPRETS)) ((FEW WORDS MISSED))

ORTH: WELL HE'S ASKED FOR ANOTHER 1000?

RECORD: WE DON'T KNOW WE'RE WAITING TO HEAR FROM THEM

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CAVE: (INTERPRETS) HE SAYS THAT THEY'VE GOT PLENTY OF HARK PARTS. HE SAYS THE ARMY'S GOT A SERIOUS PROBLEM. HE SAYS THE GUY IN THE MINISTRY OF DEFENSE CALLED HIM THE NIGHT BEFORE HE LEFT AND SAID, "I UNDERSTAND YOU GUYS GOT A LOT OF TOWS, AND WE NEED SOME

[illegible]

SAVE (INTERFACES) HE SAYS THAT WHEN THEY GOT THOSE TOWS THAT
[REDACTED] GOT, THEY WERE WENT TO THE RE-EDUCATION CAMP. COPPS

[illegible]

CAVE (2,333,333)

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THE UNIVERSITY OF CHICAGO PRESS

[illegible]

PORT- IF I GET THE CONTRACT OUT, WE WILL BE IN FOR A MILLION OF THEM
AND I WILL BE IN FOR A MILLION OF THEM. IS THIS WHAT YOU WOULD BE
DOING? I THINK IT IS A GOOD IDEA TO HAVE A MILLION AND A HALF OF THEM

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DATE _____ TIME _____

SECRET

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DAVE (INTERESTED): HE'D BEEN (PAUSE) THERE, YOU'RE JUST
TALKING AT THEM AND THEY'RE NOT TALKING (GENERAL LAUGHTER)

SECRET
[REDACTED] HAD TO TELL US
[REDACTED] NOW HE SAID [REDACTED] WAS
[REDACTED] THAT.

TO COME OUT

[illegible]

1000

51N 4523

SECRET

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CAVE: ((IN PERSIAN)) BUT FOR THAT SAME THING ((FEW WORDS MISSED))
 WHAT DO YOU WANT ((FEW WORDS MISSED)) 500 MORE TONS OF HAWK
 PARTS?

NORTH: WHY NOT WE JUST BRING HIM TO WASHINGTON INSTEAD OF ((FEW WORDS
 MISSED))

[[REDACTED]] ((ANSWERING CAVE'S LAST QUESTION)) NO THE STIPULATED
 PROGRAM HAS TO BE CARRIED OUT. ((REMAINDER MISSED))

CAVE: ((APPARENTLY INTERPRETING THE LAST PART OF [[REDACTED]]
 COMMENT)) WHERE IS THAT NINE-POINT PROGRAM?

NORTH: DOWN IN MY ROOM. WANT ME TO GET IT?

CAVE: YEAH. AND IS THERE A PERSIAN COPY OF IT?

SECORD: WE GAVE HIM ONE. REMEMBER?

CAVE: WE DID?

SECORD: YEAH.

NORTH: I LOOKED OUT OF MY ROOM.

[[REDACTED]] ((MISSED))

SECORD: ((PORTION MISSED)) I COULD HAVE GOTTEN 15 MINUTES AGO.

NORTH: WELL YOU OUGHT TO GO.

SECORD: WHEN IS HE GOING BACK, TOMORROW?

CAVE: INTERPRETE.

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CAVE: ((INTERPRETS)) HE'S LEAVING TOMORROW AT TWO.

NORTH: WELL DON'T WE BREAK FOR A FEW MINUTES?

SECORD: [[REDACTED]]

CAVE: [[REDACTED]]

CAVE: [[REDACTED]]

SECORD: [[REDACTED]]

NORTH: [[REDACTED]]

SECORD: [[REDACTED]]

OR

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ORTH:

AVE:

AVE:

ORTH:

SECD:

YOU'RE EXACTLY RIGHT YOU'VE GOT THAT FIGURED OUT.

ORTH:

I WANT TO GET BACK TO THE STATES I'VE GOT SO MUCH GODDAMN WORK

AVE:

(INTERPRETER): ANOTHER THING THAT YOU'VE GOT TO FOLLOW UP ON (FEW WORDS MISSED)

ORTH:

(FEW WORDS MISSED) SADDAM HUSAIN

AVE:

YES

ORTH:

ONE STEP AT A TIME MY FRIENDS OK? (FEW WORDS MISSED)

AVE:

(IN PERSIAN) (REDACTED) DON'T WORRY ABOUT IT

AVE:

(INTERPRETER): WHAT THEY WANT TO KNOW IS SHOULD THEY MEET WITH THEM OR NOT?

ORTH:

(ONE OF TWO WORDS MISSED) YES

AVE:

(IN PERSIAN) YES. MEET WITH HIM. NO PROBLEM.

ORTH:

AND TELL HIM JUST THE SAME THING THAT WE'RE SAYING.

AVE:

(IN PERSIAN) DON'T YOU WANT SADDAM TO LEAVE ((POWER))

OF COURSE BUT WE DON'T WANT TO (FEW WORDS MISSED) WITH THE ARAB (FEW WORDS MISSED)

SECD:

IF THE RELATIONSHIP GOES FORWARD LIKE WE ARE TALKING ABOUT--IF (MISSING)

SECD:

IF IT GOES FORWARD

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AVE:

(INTERPRETER): (TWO WORDS MISSED) ONE OF THE GUYS THAT THEY WERE SUGGESTING TO TALK TO GO TALK TO (WORD MISSED) WOULD BE

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CAVE: YEAH. AND HE SAYS ((FEW WORDS MISSED)) A VERY VERY SERIOUS PERSON.

NORTH: HE

SECCRD: HE

NORTH: A VERY SERIOUS PERSON WHO'S GOT OIL ON HIS MIND.

SECCRD: NO, HE'S OK. HE'S ((FEW WORDS MISSED)) YOU KNOW HIM PERSONALLY, RIGHT?

CAVE: (INTERPRETS) ((MISSED))

SECCRD: IF THIS THING GOES WELL AND WE GET OUR PEOPLE BACK. WE'LL ((EMPHASIS ON "WE'LL")) TALK YOU TALK WITH THEM. WE'LL TALK TO THEM. ((FEW WORDS MISSED))

CAVE: (INTERPRETS)

SECCRD: I' M GOING TO TAKE A LOT OF TALK. A LOT OF TALK.

CAVE: DO YOU WANT TO TAKE A BREAK NOW?

NORTH: YEAH. I'VE GOT TO MAKE SOME ARRANGEMENTS.

SECCRD: WE HAVE TO DO SOME PHONE CALLS.

NORTH: MAYBE HE CAN CALL BACK HOME AND FIND OUT THE PROPER FOR WHEN AND WHERE?

CAVE: (INTERPRETS)

CAVE: ((INTERPRETS)) HE SAYS THEY'RE GOING TO CALL HIM BECAUSE ((FEW WORDS MISSED)).

NORTH: OK. WE'LL BE BACK.

CAVE: ONE OF THE THINGS WE MIGHT BE ABLE TO DO ON THIS OTHER THING IS GET TABED.

NORTH: GET TABED WHAT?

CAVE: ((MISSED))

NORTH: ON WHICH SHIPMENT?

CAVE: ((FEW WORDS MISSED)) ON THE NEXT ((FEW WORDS MISSED))

SECCRD: ((FEW WORDS MISSED)) GET THE PLANK PARTS AND GET THE MONEY. HE SAYS THE MONEY'S HERE.

NORTH: *CJIN 4523* ~~HE~~ ALTHOUGH I DON'T THINK HE'S GOING TO NEED QUITE AS

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CHEAPER.

CANCEL 136.

NORTH: I'LL BE RIGHT BACK. ((LEAVES THE ROOM.))

CAVE: ((IN PERSIAN)) 136--THE FACTORIES DON'T MAKE THAT ANYMORE.
((FEW WORDS MISSED))

CANCEL IT.

CAVE: ((IN PERSIAN)) ((FEW WORDS MISSED.)) IT'S VERY EXPENSIVE.
EACH ONE OF THEM IS ABOUT \$65,000 AND MORE, MUCH MORE.

CAVE: ((INTERPRETS))

WE DON'T WANT IT. ((FEW WORDS MISSED)) WE DON'T NEED IT.
WE WANT THE WIRED THAT ATTACHES TO THE HAWK. ITS PRICE IS
8 ((OR 38)) RIALS

CAVE: ((LAUGHS))

((MISSED))

((CAVE CALLS ROOM 525 AND SPEAKS BRIEFLY ON THE PHONE IN
PERSIAN. CAVE AND SPEAK QUIETLY. INAUDIBLE))

((END TAPE A17))

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Chapter 14
Footnote 278-281

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10/19/00 22:11:00

FILE: 0000 0000 --CPS --LPS

see reply to note of 00/10/00 11:00
DATE: 0000; SUBJECT: L. Earl
SUBJECT: 0000
List of following names already given to me by phone on the phone, but

[REDACTED]

[REDACTED]

[REDACTED]

18. *Phragmites australis* (Cav.) Trin. ex Steud.

FIVE HOUSE COMMUNICATIONS AGENCY

[illegible]

18 May 1987

1933, 1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 26

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Chapter 14
Footnote 282
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14-282

NOV86. FOR NORTH FM SECOND
 ABE GOT THRU TO [REDACTED] LESS THAN 1 HR
 A60. FOLLOWING ARE HIS REMARKS USING NEW
 CODE WHICH CHARLIE HAS [REDACTED] HAS
 BEEN DEBRIEFED AND HE HAS NOT DAMAGED
 US. B. INITIAL MEETING HAS BEEN HELD RE
 WORDS FOR RAFSANJANI SPEECH. [REDACTED] GIVES
 IT 80 PERCENT CHANCE BUT WILL HAVE FIRM
 WORD FM RAFSANJANI FOR US IN 24 HRS. C.
 SHIP SHOULD BE LOADED WITH T72 TOMORROW
 -- I WILL BELIEVE IT WHEN WE HEAR FM THE
 CAPT. D. WE WILL GET ANOTHER HOSTAGE SOON
 BUT [REDACTED] WANTS ANOTHER 500 TOWS ASAP-NOT
 NECESSARILY LINKED SINCE ABE DID NOT
 WANT TO DEBATE MATTER ON PHONE. E. [REDACTED]
 TO MEET ABE THRU J IN GENEVA IN
 ABOUT 4 DAYS TIME. HE EMPHASIZED NEED
 FOR VERY SMALL MEETING. F. [REDACTED] REPORTS
 ATMOSPHERE IN THN OK NOW. THEY ARE
 ANALYZING PRES. S SPEECH FM VOA BUT AS OF
 NOW NO APPARENT PROBLEMS WITH ITS
 CONTENT. RGDS, DICK BT

Partially Declassified/Released in 1987
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 by B. Reiter, National Security Council

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Chapter 14
History 101

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(Better copy attached)

6 May 1987
12356
at Sec. 1, Cornhill

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such pressure on him, so may alter how the exact reason, but so must not let this opportunity to assess the consequences in Iran of these revolutions free slipping through our fingers. I think it could be useful to produce an assessment of the range of possible interpretations, and possible U.S. options. To be fair, I also think it could be appropriate to consider U.S. options. To be fair, I also think it could be appropriate to consider U.S. options. To be fair, I also think it could be appropriate to consider U.S. options.

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by: [redacted] National Security Council

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Chapter 14, Footnote 286

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OCA 86-3873

03 December 1986

MEMORANDUM FOR THE RECORD

SUBJECT: George Cave's Briefing of HPSCI Staffers

14-286

On 3 December 1986, between 0930 and 1230 hours, George Cave, a former DO officer, briefed HPSCI staffers Tom Latimer, Mike O'Neil, Dick Giza, Diane Dornan, Duane Andrews and Tom Smeeton on his role in the NSC's Iran project. Dave Pearline, OCA/LEG attended the briefing which was held in H-405, The Capitol.

2. Mr. Cave said that he was briefed on the operation on 5 March 1986 when he met Lt. Colonel North for the first time. He met with North again on 6 March. On the evening of 6 March, [redacted] C/NE; North and Cave travelled to Paris where they met with the Israeli [redacted] (Initially Cave told the staffers that he could not pronounce Mir's name and only referred to him as an Israeli. However, Mike O'Neil told Cave that they had been given his name. Thereafter, Cave referred to him by name.) The Iranian [redacted] Ghorbanifar also attended this meeting and presented the group with a list of 240 line items of spare parts for Hawk missiles. [redacted] North and Cave returned to Washington the same day. The spare parts list was turned over to CIA Office of [redacted] for pricing information.

3. Cave said that not much more happened until early May and on 5 May, he and North went to London to meet with Ghorbanifar. The meeting in London was predicated on Ghorbanifar raising funds and he told North and Cave that he had raised it. Ghorbanifar said that he would be meeting with the Iranian President and Prime Minister and Rafsanjani. The money was deposited on 15 or 16 May and arrangements were made for the spare parts to be assembled at Kelly AFB. At this point a question was asked about where this meeting took place. Cave said that Ghorbanifar stayed in the same place when he visited London and the meeting was held there. In response to another question concerning what [redacted] may have known about this project, [redacted]

4. The party of McFarlane, Cave, and Tischer, [redacted] the NSC, and two CIA communicators left Dulles on [redacted] a privately chartered jet for Germany. They continued their [redacted]

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By B. Berger, National Security Council

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flight [redacted] on an airplane of an Agency proprietary. The [redacted] in Tel Aviv on 24 May; the plane parked on the [redacted] of the airfield where the group was met by Israeli intelligence officials. Secord and North were already in Israel when McFarlane's group arrived there. In response to a question concerning Secord's role in this matter, Cave said that North depends on Secord a lot, adding that Secord saved North's life in Vietnam and that they have a close relationship.

5. A group, consisting of McFarlane, Tischer, Cave, North, an Israeli intelligence officer, an Agency communicator and a four person crew for the plane, arrived in Tehran at 0930, 25 May. One CIA communicator was left in Tel Aviv. In response to a question, Cave said that Secord was not repeat not on this plane. In response to another question, he explained why the group traveled on [redacted] passports. He added that the Iranians had suggested that they use [redacted] documentation but that this was not pursued for various political and other reasons, such as the fact that no one in the group could speak [redacted]. When the plane arrived in Tehran, it was directed to the military side of the airport and to VIP buildings there. There were no senior Iranian government officials at the airport when the plane arrived, only what Cave described as some flunkies. Ghorbani showed up at some point. About one and one-half hours after the plane arrived, an Iranian official from the Prime Minister's office showed up. North had met this official before and knew that he liked sweets. As a private joke between them, North presented the official with a cake with a key on it.

6. Eventually, the group was taken to the Hilton Hotel and given rooms on the top floor (15th) and they were told that they could not leave for "security reasons." Cave said that apparently the Iranians had not made any preparations for their arrival and that nothing happened until late afternoon when an official from the Prime Minister's office arrived. Two other Iranians, one an intelligence officer, also met with the group. Cave said despite press reports that 20 tons of material went out, this group took one pallet of spare parts, about 20% of the requested spare parts. Cave said that the initial discussions with the Iranians on the 24th and 25th day in Iran were pretty bleak, to the point that McFarlane considered leaving. In response to a question, Cave said that Secord never went to Iran. Cave also mentioned an incident that occurred when the Iranians removed that [redacted] (who had been left behind on the plane) from the plane. Cave said the Iranians probably did this to search the plane. After Cave complained, the crewman was returned to the plane.

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7. At another meeting with the Iranians the second day, [redacted] from the top levels of the Iranian government. Finally, [redacted] group met with one of Rafsanjani's principal advisors. Among items discussed were Iranian interests in joint cooperation; Iranian concerns about the Soviets in Afghanistan; the U.S. suggestion that the Iranians improve relations with Gulf States. Regarding the topics of hostages and arms, Cave said that each side tried to treat each topic as a separate issue. During these discussions, it became obvious to the group that the Iranians did not control the capture of the hostages and the Iranians indicated that they could get maybe one or perhaps two hostages released. McFarlane wanted all of them released.

8. On 27 May, there were more discussions along the same lines, but the Iranians still could not get control over the hostages. Cave said that the U.S. side was prepared to give the Iranians a briefing [redacted] to include information on the Soviet threat and our assessment of the war. However, it was decided that this briefing would not be provided because no agreement had been reached with the Iranians. The afternoon before McFarlane and the group were scheduled to leave Iran, McFarlane told the Iranians that if they could produce two hostages by the next day, that he would order the rest of the spare parts. However, by the next morning, it was obvious that something was wrong. The Iranians were begging the group to stay in Iran, but they had decided to leave because the negotiations had broken down. McFarlane was very upset. The group was told that the Iranian politicians were on pins and needles and that they were afraid to meet with the Americans. To further complicate the situation, the Iranians were not aware of who McFarlane was and they were also not familiar with the name Poindexter. In summary, they had no knowledge of McFarlane, Poindexter or North. Cave was the only one that the Iranians knew.

[redacted]

Cave provided these additional comments on this part of the visit. When they arrived at the airport, the plane had not been refueled. He also said that it appeared to be that the plane's crew had been in Iran before because they would know the Iranians at the airport.

9. When Cave returned to Washington he briefed the [redacted] and told him that it was clear that the Iranian government exercise complete control over the individuals and the hostages in Lebanon. He said that the Iranian had presented a list of Hezbollah demands that included the release of [redacted]

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terrorists were held in Kuwait and the repayment of expenses incurred in housing and feeding of the hostages. The total cost of the release of the hostages was Hawk spares, TOW missiles and others. Apparently, Ghorbanifar had lied to the Americans about what the Americans would provide to them. Iranians thought they were going to get major arms shipment, but they did not. Finally, the Hawk spares were shipped to Iran and this shipment preceded the release of Father Jenco.

10. At some point, Cave learned that the Iranians were dissatisfied with the Ghorbanifar channel. In mid-August, a senior Iranian official of the Revolutionary Guards and [redacted] went to London to attempt to get the Americans to continue the dialogue. At this point Hakim, the Iranian businessman, became a key player in the program. In mid-August, Secord met with the Iranian Rev Guard official to change the channel, i.e., to communicate via Hakim. In September, the Rev Guard official flew to Washington, [redacted] arriving in Washington on the 18th or 19th of September. This official had a list of munitions and arms the Iranians wanted, but we told him that we would provide 500 TOWs for the hostages. The official also suggested that each side establish a commission that would hold secret meetings until normal relations are re-established between the countries. He said that there were a series of meetings being conducted in Tehran concerning post-war plans for Iran. These meetings included discussions about the desirability of receiving American weapons, which the Iranians believe are superior to Soviet manufactured weapons; anticipated assistance from the West to rebuild the country's industry; anticipated need for \$300 to \$500 million dollars of foreign investment. The Iranian official also complained about the Israeli involvement in this program. The Iranians found out about Nir's presence in Iran and were angry about it. Dick Giza asked why the Israelis were involved and he was told that this was an Israeli initiative and that Nir went with them because the Israelis insisted that he go along. Dick also asked what were Israel's objectives in this program? Cave recapped Israel's involvement with Iran when the Shah [redacted]

[redacted] Dick also asked whether a firm "St. [redacted]ing", or some name like this, was involved in this program. We did not know anything about this firm. In response to another question, Cave said that McFarlane, not North, was in charge of the operation in Iran.

11. During the 19-20 September meeting, [redacted] official said that they were having problems with the TOW [redacted]

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because [redacted] did not work in water. Apparently, they were letting [redacted] into water which caused the TOW not to work. [redacted] they of [redacted] the U.S. group a T-72 tank but this was not [redacted] vered.

The next meeting was in Frankfurt from 8 to 10 October with North, Second, Cave, Hakim, the Rev Guard senior official, and the Rev Guard intel officer present. The Iranians said that [redacted] guarantee the release of one more hostage, and perhaps [redacted] of getting a second one released. However, after that, there would not be any more hostages [redacted] released until the prisoners being held in Kuwait were released.

The U.S. delegation gave the [redacted] and a "Soviet Brief".

In response to a question about who authorized this briefing, Cave said that the DCI authorized it and it was requested by the NSC. Latimer said that this is some pretty sensitive information. Cave said that it was presented in such a way that it did not appear to be what it really was.

Cave said that the information was highly doctored and the judgments overestimated opposition troop strengths. The Senior Rev Guard official said that the Iranians need help in ending the war. On a related point, in September, the Iranians had said that they were spending \$10 billion a year on the war and this was causing a deficit. They said that their logistic system was in such disarray that the final offensive fails, Iran would not be in a position to launch a counterattack.

13. The Rev Guard official came out again for a meeting on the 28th or 29th of October. This official said that Lebanon was certain that one hostage would be released and he had high hopes that a second would be released. North, Second, Cave and Hakim were present at this meeting. The Rev Guard official had a check for \$4 million to cover the cost of

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the TO... While they were at this meeting site, 500
TOW... to Iran. Jacobsen was released on 2 or 3
November. The Joint Committee concept was brought up again
and Iranians wanted people at the senior political, deputy
ministerial level on the Iranian side to meet with a Deputy
Secretary of State. These discussions would be followed by
meetings between Rafsanjani and senior U.S. officials. Cave
then returned to the 8 October meeting and remembered that they
had been told that Rafsanjani had decided to expand relations
with certain radical wings in Iran.

14.

15. Cave then returned to Ghorbanifar. He said that the
Agency had a relationship with him several years ago, shortly
after the hostages were taken. However, in early 1982 he was
considered a fabricator and the association was terminated.
Cave said that the Israelis (he) insisted that only
Ghorbanifar could deliver. Ghorbanifar has the contacts but
uses them for his own purposes.

16. After Jacobsen's release, things were coming unstuck.
Cave met with the Rev Guard's official in Geneva, 8-9 or
10 November. North, Secord, and Hakim also were there. North
still functioned as the principal contact with the Rev Guard
official, but Hakim also had contacts with this official.
During these meetings there were discussions on the cost of
the weapons. On 30 June, [redacted] complained about the
cost of the Hawk spares. He was told that he would have to
talk to Ghorbanifar. There were a lot of complaints about
Iran being overcharged. On 27 August, [redacted] said he
settled accounts with Ghorbanifar and deposited some money in
the Swiss bank account.

17. During the 8-10 November meeting in Geneva,
Iranians told Cave that the Israeli connection had
scared. The Iranians were convinced that Ghorbanifar was an
Israeli agent.

18. At this meeting, it was decided that the new chief
intelligence officer would be the principal point of contact.
The intel officer also was at the 8-10 October meeting.
meetings. Cave said that Rafsanjani used the intel officer
because he had more control over them. The intel officer
presented a long list of requirements and almost the entire

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day was spent discussing the Kuwaiti 17. Our side encouraged Iran and to keep an open mind and to continue to talk with the intelligence officer was convinced to send a senior official to Kuwait for further discussions. This suggestion was followed five days later by a flash message to the Iranian Ambassador in Kuwait asking him to seek a meeting with the Emir.

19. In early October, Roy Furmark, an old friend of the DCI, called the latter saying that he sees a problem regarding the exposure of an operation. Charlie Allen saw Furmark briefly while Cave was away in Europe. Subsequently, Cave and Allen went to New York on 22 October to meet with Furmark. Furmark told them that Khashogyi, a Saudi arms dealer, is the individual who has been financing the arms deal with Ghorbanifar since the inception of the deal. Khashogyi had financed the September shipment of 500 TOWs and made a \$1 million dollar profit. On 1 May 1986, Khashogyi had raised \$15 million for the Hawk spares, getting \$5 million from an Arab financier and \$10 million from two Canadians. There was a meeting, shortly after 18 or 19 May 86, when this group (Khashogyi, Ghorbanifar, and Furmark) decided on the price. They added \$3 million for profit and expenses; \$2 million that was owed to Nir for some reason; making the price of \$20 million that they would get from the Iranians. Furmark said that he was told by Ghorbanifar that the reason the price was elevated was that the profit would be used to provide supplies to the Contras. The price was repaid his \$5 million but the Canadians only received \$11 million, leaving them \$8.9 million dollars short of their initial investment. At some later time, Khashogyi invited the Arab and the Canadians to a party and the Arab told the Canadians that he received his money. This upset the Canadians who threatened to file a suit in the U.S. against Khashogyi and have U.S. officials testify during the trial. Cave said that in April 1986, Ghorbanifar was arrested by the Swiss and held for 24 hours. He blamed Khashogyi for his arrest.

20. Cave provided the following additional information on financial transactions: 15 June the Iranians made a \$10 million dollar deposit to Ghorbanifar's account; on 21 August, \$8 million was deposited, but Ghorbanifar claims that only \$5 million is for the Hawks. Furmark said that \$5 million was for the Hawk spares and that \$3 million was for the Hawk parts. During a 7 May telephone conversation, which Cave participated in only part of the telephone call, Ghorbanifar mentioned \$12 million for 240 hawk spare parts. Cave did not know where the

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the cost charged included other deals. He knows that the price for the Hawks was only \$4 million. Cave said that he was sure of the price difference. The first indication that [redacted] were exercised over the cost was 3 June 1986.

The [redacted] then asked several questions:

(a) What was Furmark expecting? Only indication was [redacted] comment that the money could be regained if we permitted Ghorbani to arrange another arms shipment.

(b) [redacted] was your (Cave) assessment of Secord? He played a key role in arranging travel to meetings. Who did you think he was and who did he work for? Cave understood that he was a consultant to the NSC.

22. Following the meeting with Furmark, Charlie Allen wrote a memo, addressed to Poindexter, which outlines his concerns over this project. Charlie Allen had a subsequent meeting with Furmark on 6 or 7 November. Furmark said that the Canadians were ready to supply and Furmark was putting pressure on us to use Ghorbani so that he could pay off the Canadians so that everything would be alright with them.

23. The question was asked, "What did we learn from our contacts?" Cave said that he had prepared a paper on this, and the staff asked whether they can have a copy of it. Cave summarized saying that we learned about the structure of Hisballah factions, views on the war, factions in the Iranian Government, groups that want to establish relations with the United States, [redacted]

David M. Pedrlino
David M. Pedrlino

Legislation Division
Office of Congressional Affairs

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Chapter 14

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• New parameter - 2 hostages - AT

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• Release of hostages omitted

• Sign of commitment that
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1. The initial meeting with [redacted] was between just he and Sam on 8 November. [redacted] had several points to make in this initial meeting. He wanted to reassure us that Montazari is a moderate who had been duped by those around him. [redacted] recommended that we base our judgement on his public statements and [redacted] to the media on various subjects. He is well liked by the media. [redacted] greatest strength is his ability as a public speaker. [redacted] from [redacted] statements that he is either an admirer of Montazari or in any way is involved with him politically.

2. [redacted] interrupted at this point and said he wanted to tell Sam that he was to [redacted] Tehran to have nothing to do with the CIA rep in the group. [redacted] said [redacted] indicate that there is some danger in his meeting with Sam.

Sam believed that if we comes out again we may have something. Sam told him that if this goes forward it is going to be up to [redacted] and Sam. It is essential that we have better info on what is going on in Tehran so that we make no miscalculations or do something which would unknowingly endanger the Rafsanjani faction. We agreed that we will have to spend a lot of time together at the next meeting, if there is a next meeting.

3. [redacted] is very much concerned about the Gorbanifar-Khashoggi-Israeli connection. He said that their intelligence people had taken a hard look at these connections and concluded that Gorbanifar is an Israeli agent. They are uncertain as to what to do about it and are open to suggestions from us. He said that they had decided not to try to bring him back to Tehran. In order to appease him and keep him quiet they intend to continue to buy some items from him. (note; he said all this before the widespread revelations began so there may be a change). He would like to discuss the Gorbanifar problem at the next meeting. Sam pointed out that Gorbanifar is

things too tough for Gorbaniyar. He asked if we could do something via the Israelis?

5. [redacted] wanted us to know that the Shera newspaper in Beirut was under Syrian control. This has led some in Tehran to conclude that the U.S. might have had a hand in the expose. Sam pointed out to him that we had considerable information which clearly indicates that Hizbullah is involved in the newspaper. We had concluded that Mehdi Basmehi may have used [redacted] as a means of channelling his leak.

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6. Later on 8 November [redacted] gave a kind of pep speech to the American delegation in which he emphasized the need to forget the past and move on to a new relationship. He said that because of the nature of the government in Tehran, we should look at things as if we are dealing with a corporate structure. He also said that they were somewhat disappointed in the Frankfurt meetings as they had hoped to move ahead faster on the intel exchange. [redacted] also complained about the Israelis and said that we should have moved to [redacted] them and Gorbaniyar. He argued that the Gorbaniyar problem was something one that we should have solved. He also tried to argue [redacted] that the leaks had started in the west. He even suggested that some of our people thought that the leaks were engineered by CIA [redacted] some undefined purpose and this convinced them that CIA did not know what [redacted] was doing. In short he tried in the best Iranian fashion to fault our side for everything that had gone wrong. He added that the current situation in Tehran is very fluid and is such that we must understand that it was a near miracle that they had been able to avoid a serious confrontation with the leftists [redacted] the celebrations on the occasion of the anniversary of the taking of the Embassy. He summed up by saying that this was the most difficult [redacted] ever undertaken. He was under impossible pressure. We must understand that he is the only true friend that we have. We should be sincere with him and develop mutual trust between us. He emphasized teamwork and we should now work together.

7.

8. On 9 Nov., North began by saying [redacted] discuss certain things with [redacted] on [redacted] in Kuwait and views on how we proceed [redacted] describing the situation in Washington [redacted] best to protect Rafsenjani and the [redacted] relationship between our two countries. Press commentary based on [redacted] Rafsenjani's speech has hurt. Although we are maintaining a no comment posture [redacted] pressures are mounting. Our problem is at one time to find ways to protect [redacted] relationship and at the same time find ways to move it along. We must [redacted] better information on what is going on in Iran so that we are confronted with [redacted] surprises. One example is the photographic copies of the [redacted] passports, if these are published we will be in deep trouble. [redacted] comment on this was "are you sure that photographs were actually taken?" He said not to worry that he would make sure that no photos were turned over to anyone. We said fine but if all else fails, give us some prior warning.

9. North stated that we were anxious to go ahead as soon as the hostage issue is behind us. We have a commo package, and have also identified a technician. [redacted] definitely do not want any of this to appear on television as we do not want to endanger the technician when and if we send him [redacted] North added that [redacted] to emphasize that he is here at the order of the President and we still have the same objectives as explained [redacted] and Frankfurt. Our problem as we now see it is that we must get [redacted] off our backs.

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10. This led into a long, 4 or 5 hours discussion of the Kuwaiti seventeen. [redacted] problem is that he was holding discussions with us based on a very restricted brief. He insisted that they could not send a senior government official to talk to the Kuwaitis unless they were sure that it would result in the release of the Dawa prisoners. We pointed out that we had done all that was humanly possible by talking directly to the Kuwaitis [redacted]

[redacted] We were as sure as we could possibly be that any over [redacted] would be warmly recieved by the Kuwaitis. [redacted] continued to [redacted] the need for guarantees, but at the end of the discussion [redacted] strongly recomend that Iran go ahead and dispatch a senior official to [redacted] the Kuwaitis. [redacted] ended his comment on the Kuwaitis by saying that in their discussions with the Hizbullah about the Kuwaitis, they had been hopefull of their early release. [redacted] thought that what we do we must serve this hope of the Hizbullah. What it boils down to no [redacted] tit for [redacted] situation between the Kuwaiti 17 and the rest of the hostages. [redacted] one [redacted] said that if the 17 Dawa prisoners were freed there [redacted] with the jother two hostages.

11. [redacted] discussion, we assured [redacted] that we would do our best to insure [redacted] was said publicly in Washington that would hurt Rafsenjani. On his part, [redacted] tried to explain some of their problem in Lebanon. He pointed out that the Hizbullah was the only real organizational structure. He stated some of the other organizations, like Jihad-i-Islami are in reality a loose knit combination of factions who disagree on diferent issues. They are also a polyglot group in that Iraqi shiahs and even some chariks are involved. What control over the Jihad-i-Islami that exists, is exercised by the Syrians. [redacted] said that the Dawa helped them in getting [redacted] Jacobsen released.

12. On Nov. 10 Sam held a final [redacted] with [redacted] in which [redacted] stated that they were in a very precarious [redacted] c situation and were having trouble raising money to pay for future shipments. He wondered aloud if we could not do something to alleviate their financial crunch. he also is extremely worried about the Israeli connection. He described [redacted] it as a bomb ready to explode. [redacted] He reviewed the Gorbanifar problem and said that while it is true [redacted] they owe him 10 million dollars, he also owes them 1,000 tons and [redacted] not know how we are going to solve this problem. He urged Sam to do all [redacted] to keep him quiet.

[redacted] said that one of the reasons Tehran decided to proceed with this contact is that we differed in our approach to the hostage question. They know that we have been far more honorable [redacted] and this is appreciated in Tehran.

13. [redacted] reviewed his intel requirements.

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made a final appeal on getting rid of Saddam Hussein. He wanted us to understand that there was no way the war could end with Saddam in power. The coming up of the 1975 agreement on TV must be avenged.

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Q2605-2606

Circ 1728

Form of Communism

2925

□ Terrorism

- Soviet Arms (T 72)

- Neogay

- Anti-White - leaders of the 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

- High - Lab Org - Party, Structure

Islamic Side of - Politics, Union

- no Element, some groups not necessarily this

- Relationship with Iran, Iraq, ITO

- ITO - several diff groups of Arabs w/ relation to the Islamic goals

- Brother - Iraq, Lebanon

- Community based revolutionary goals like Iran

- not the kind of people who you can tell what to do

- only way to influence is the Iran

- The ITO has respect for honor of Iran, when Iran says it will do something the ITO believes

Partially Declassified -
 under process of E.O. 12958
 by B. 1007, National Security Council II

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9 Nov 86

Reference only in [REDACTED]

- This is a secret group

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[REDACTED]

- Original demand by ITO
was to reimburse for costs
- ITC got most demands dropped.

[REDACTED]

- In release of [REDACTED], [REDACTED] and [REDACTED]

[REDACTED]

[REDACTED]

Classification - [REDACTED]
 1. For pro. [REDACTED] E.O. 12356
 by P. J. 307, National Security Council

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Declassified/Released on 11/28/02
 under provisions of E.O. 12356
 / 2. Reger, National Security Council

9770

- Set up the
 - Point
 - Demander } - manage budget
 - Tehran } - release

- Today or tomorrow GOS official
 statement by Khamenei
 - He is, already talked to some
 - who carry large promises of
 - more than terrorist activity -
 - against Khamenei

- If some of these guys are
 - released on a budget
 - spend, this - something
 - may be possible

- Some full power was not a
 - easy thing to do.

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14-294

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: Please tell us what we can
get elsewhere if there is one that
cannot be released.

Page # 4 in Kuwait, 17 plan
(USC will suggest facing
some of 17)

14/294

☐ USC - Gorbachev told us that
1 week ago: The Soviets have said
they have direct contact of
Moscow with Reagan.

- If there is anything that
we know things up it is
this

- Was the ball in behind this
subject to Cuba?

- Gorbachev says that we (USC) is
sponsoring Iranian & in
Nicaragua.

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by: Roger, National Security Council

(4799)

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14-295

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3/11/88

- Call from Rose
- Create something for the [redacted] to say.
- Break thru - weaver on T.O.
- Role of WSC
- New position of

GII-4122-346591

- Richard Miller
- Daniel

□ Recu

George, Ed

• Hill

• Graham

• Green

• Bradley

• Robb

• Nixon

• Biden?

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 Under E.O. 12356
 B. National Security Council

(4801)

Chapter 14
Footnotes 14-296+298

2 pages

N 8090 - N 8091

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14-297

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14-302

Q2619

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☐ NIC

• GER ADPAC to get down
to work - back of... give benefit
- of doubt... see how their
is proceeding...

• best political interest

☐ Basic

☐ Call Long Night
See White

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14/302

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The Director of Central Intelligence
Washington, D.C. 20505

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Chapter 11

Form 100-14-304

NIC 05623-86
12 December 1986

National Intelligence Code

MEMORANDUM FOR: Director of Central Intelligence
Director of Central Intelligence

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism

SUBJECT: Terms of Reference for Cave/Dunbar Discussions

1. The terms of reference (TOR) approved by Armacost for the Cave/Dunbar discussions with the Iranian Revolutionary Guard leader [redacted] in Frankfurt—if implemented—will effectively shut down the Iranian initiative. In the TOR, the Department makes it clear that this channel can only be used for the exchange of intelligence, not for any other substantive exchanges. Since there is little that we can pass to the Iranians—other than intelligence on the Soviet threat—the Iranians are unlikely to find this of much interest, given their almost total absorption with Iraq. From the tone of the TOR, it is clear that the Department is very narrowly defining what constitutes an intelligence exchange.

2. Unless the Department has a well-defined alternate strategy and other viable channels to pursue, closure of this link would be premature and a serious mistake. We have reason to believe that this channel runs directly to Khomeini and that it probably is relatively reliable. It has been instrumental in securing the release of one American hostage and, given the individuals involved, may be key to effecting the release of additional hostages. The individuals with whom we have been dealing, moreover, clearly want rapprochement with the United States. They recognize that Iran has been economically devastated by the war and that it will require Western financial support and technology to recover.

3. I believe it is imperative that the TOR be modified to allow for changes on issues broader than intelligence and that a designated State official participate in these discussions. No one question the State's lead in the Iranian initiative, but acceptance of the State's TOR, as presently constituted, would essentially end any useful dialogue with Iran for the foreseeable future.

Charles E. Allen

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Material Not relevant to time period.

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Chapter
Footnote 14-30743122

IST.

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MA - Iran Caper

3518

Charlie Dunbar called secure this morning at 0830 from Frankfurt with the following report:

--Albert Hakim was waiting at the hotel for George Cave when the latter arrived in Frankfurt. Hakim told Cave that he would not participate in any further meetings unless he could have a lawyer with him. Cave said he would not agree, so Hakim will not be at any of the meetings. Cave added that Charlie Dunbar would participate, and Hakim said the Iranian side had no problems with that arrangement.

--[REDACTED] arrival in Frankfurt has been delayed. He should arrive Saturday, after which a meeting will be held.

[REDACTED]

--Charlie will stay in touch by secure phone.

Comment - It is just as well that Hakim is out of the circle. The last thing we need is another five percenter involved. I am, for obvious reasons, skeptical that Hakim was waiting for Cave at the hotel and therefore Cave had to talk with him alone. Yet further proof that the sooner this one reverts to a regular intelligence channel the better.

AR

C2:13-NF

Portland, Maine, 1/26/88
 by P. [illegible]
 1/26/88

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12/13

Mr. Secretary -

3879

Charlie Dunbar of NEA, who went to Frankfurt with George Cave of the Agency for a meeting with the Iranian interlocutor, called this morning with a read-out of the conversation

The meeting took place at 1100 Saturday morning at the Park Hotel in Frankfurt. Dunbar and Cave were on the American side; [REDACTED] an intelligence officer for the Revolutionary Guards who has been Cave's contact, was alone.

[REDACTED] began the conversation by making the following points:

--We need to know how to proceed from here. Much has been accomplished by North, Secord and Cave. We need to move ahead quickly within the already established framework. Despite all the press revelations, the Iranian side is ready to proceed; if the U.S. side can manage its domestic problems, we can move ahead. There are four issues on Iranian agenda:

--The War - Iran has some ideas on how to proceed on this issue. The key and non-negotiable demand, however, is that Saddam "and his organization" must go.

--Iranian Military Equipment in the US - These goods must be turned over to Iran. The Chairman of the JCS and the Secretary of Defense have publicly admitted that the goods are ours; we want to know when will we get them back.

--New weapons for Iran - You promised us 1500 more TOWs and 100 TOW launchers. We need them and want them [Dunbar reports that he is not certain if [REDACTED] was referring to additional TOWs beyond the 2008 already shipped, or was inferring that the 2008 were never all delivered. Dunbar will pursue this point with Cave].

--Dawa Prisoners in Kuwait - This is an important issue for the Lebanese. If the Dawa prisoners are released, the Lebanese will be more flexible with respect to the hostages. Iran is prepared to exert whatever limited influence it has.

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[REDACTED] then referred to the "nine point agenda" and noted that several points remain to be fulfilled: "five or six have been acted on". Cave later told Dunbar that there is an informal nine point agenda, but there may be disagreement between the US and Iranian sides over what the specific nine points are. Cave also said that he believed North had a copy of the agenda, but he did not know if other copies existed. [REDACTED] read from a Persian copy during the meeting with Dunbar/Cave.

--Cave also told Dunbar after the meeting that the Iranians had discussed with us [REDACTED] Phoenix missiles which are inoperable and stored at an Air Force Base in Isfahan. Cave added that the American side had been thinking about sending a [REDACTED] technician to repair the missiles. Cave also referred to discussions about the supply of 240 additional Hawks and more TOWs.

[REDACTED] told Cave/Dunbar that the Iranians had made a demarche to the Kuwaitis at our suggestion. Cave later explained this to Dunbar by saying that he understood that Poindexter, during the recent UNGA, had spoken with the Foreign Minister of Kuwait and encouraged Kuwait to release the Dawa prisoners.

[REDACTED]

[REDACTED] also referred to the Lahad prisoners in Southern Lebanon. Cave later told Dunbar that we had formerly suggested to the Iranians that we could do something to get the prisoners held by Lahad released as a way to soften up the radical Shia.

[REDACTED]

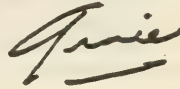
--Dunbar Presentation - Charlie read the talking points which we sent him last night. He emphasized that the arms for hostage phase was over. In response, [REDACTED] focussed on that point and said that would bring us back to zero. He said he understood Charlie's presentation, but that Dunbar should return to Washington and get briefed on where this situation stands. Not of commitments had been made and we were far down the road.

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there are no more meetings scheduled in this session. We have asked Charlie to return immediately to Washington and prepare a full report. He will be back Sunday night.

I should emphasize that this report was over secure phone and we are still missing many of the details. Also, it is difficult to differentiate between what is factual and what is Cave's opinion and assessment. Once Dunbar is back, we will prepare a comprehensive report and assessment for you.



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